

EXHIBIT J

UNITED STATES DISTRICT COURT
NORTHERN DISTRICT OF TEXAS
DALLAS DIVISION

JERRY RYAN, On Behalf of Himself and All	§	Civil Action No. 3:03-CV-01769-B
Others Similarly Situated,	§	(Consolidated with 3:03-CV-01827-M; 3:03-
	§	CV-01846-M; 3:03-CV-02079-M)
Plaintiff,	§	
	§	
vs.	§	
	§	
FLOWSERVE CORPORATION, et al.,	§	
	§	
Defendants.	§	
	§	
	§	

EXPERT REPORT OF BJORN I. STEINHOLT, CFA

I. INTRODUCTION AND QUALIFICATIONS

1. I am a Principal at Financial Markets Analysis, LLC (“FMA”), an economic consulting and valuation firm with offices in San Diego, Princeton and Shanghai. FMA provides financial analyses and related economic consulting services to various clients and has frequently been asked to prepare reports and expert testimony regarding the various economic issues that typically arise in securities class actions.

2. I received a Master of International Business degree from the University of San Diego and a Bachelor of Science, Computer Science degree from California State University, Long Beach. I have earned the professional designation Chartered Financial Analyst awarded by the CFA Institute. I have been retained on numerous occasions to provide my expert opinions relating to market efficiency, materiality, loss causation and damages in securities class actions similar to this litigation. A summary of my background and qualifications is attached as Exhibit A to this report.

3. My compensation is based on the number of hours worked, as well as out-of-pocket expenses. My hourly rate is \$350 per hour.

II. OVERVIEW OF ASSIGNMENT

4. Plaintiffs’ counsel has requested that I examine and discuss three different issues. First, I have been asked to examine whether the market in which Flowserve Corporation (“Flowserve” or the “Company”) common stock and options traded from February 6, 2001 through September 27, 2002 (the “Class Period”) was impersonal, open, well developed, and efficient, in that the market price of the Company’s common stock during this time period reflected the publicly available information concerning Flowserve. Second, I have been asked to examine whether defendants’ allegedly false and misleading statements caused economic damages to investors who purchased Flowserve common stock during the Class Period. Third, I have been asked to discuss the

traceability of shares to Flowserve's secondary offerings on November 16, 2001 ("November Offering") and April 16, 2002 ("April Offering").

5. My opinions in this matter are based on my professional experience, as well as my review of a substantial amount of information, including:

- (a) [Proposed] Fifth Amended Complaint for Violation of Sections 11 and 15 of the Securities Act of 1933 and Sections 10(b) and 20(a) of the Securities and Exchange Act of 1934;
- (b) The public filings by Flowserve with the United States Securities and Exchange Commission ("SEC") during the Class Period;
- (c) Press releases issued by the Company;
- (d) Securities analyst reports regarding Flowserve and its industry issued during the Class Period;
- (e) Contemporaneous media reports regarding Flowserve and its industry issued during the Class Period;
- (f) Price and volume data for Flowserve common stock and options, as well as for industry and market indices;
- (g) Flowserve common stock ownership by reporting institutions during the Class Period from Thomson Financial;
- (h) Short interest in Flowserve common stock during the Class Period from Bloomberg; and
- (i) Articles, court decisions and other relevant information cited in the text, or in footnotes to the text, of my report.

6. Based on my review of the relevant information, as well as my professional experience, it is my opinion that the market in which Flowserve common stock and options traded during the Class Period was impersonal, open, well developed, and efficient. Furthermore, it is my

opinion that the allegedly false and misleading statements caused economic damages to investors who purchased Flowserve common stock during the Class Period. This also implies that purchasers of call options and sellers of put options would have suffered economic damages during the same time period.

7. This report is based on the evidence I have reviewed to date. Additional information may be added or I may modify my conclusions based upon additional evidence or the opinions expressed by defendants' experts.

III. MARKET EFFICIENCY

8. For the past 35 years, the efficient capital market hypothesis ("ECMH") has held an important place in financial and economic theory. The most commonly held form is known as the "semi strong" form and holds that securities markets incorporate all available public information into the respective securities prices. Consequently, in an efficient market, investors rely on the market price of a security to reflect all the available public information regarding that security. The semi strong form of the ECMH has been empirically validated in numerous studies.¹

9. The relevance of market efficiency for securities class action lawsuits, such as this one, relates to the fraud-on-the-market theory. As explained in *Basic, Inc. v. Levinson*, 485 U.S. 224, 241-42 (1988) (quoting *Peil v. Speiser*, 806 F.2d 1154, 1160-61 (3d Cir. 1986)):

The fraud on the market theory is based on the hypothesis that, in an open and developed securities market, the price of a company's stock is determined by the available information regarding the company and its business. . . . Misleading statements will therefore defraud purchasers of stock even if the purchasers do not directly rely on the misstatements. . . . The causal connection between the defendants' fraud and the plaintiffs' purchase of stock in such a case is no less significant than in a case of direct reliance on misrepresentations.

¹ See Eugene F. Fama, "Efficient Capital Markets: A Review of Theory and Empirical Work," *Journal of Finance*, Vol. 25, Issue 2 (May 1970); and Eugene F. Fama, "Market Efficiency, Long-Term Returns, and Behavioral Finance," *Journal of Financial Economics*, Vol., 49 (1998).

Basic goes on to conclude:

An investor who buys or sells stock at the price set by the market does so in reliance on the integrity of that price. Because most publicly available information is reflected in market price, an investor's reliance on any public material misrepresentations, therefore, may be presumed for purposes of a Rule 10b-5 action.

Id. at 247.

10. The fraud-on-the market theory relies on what is commonly called informational efficiency, *i.e.*, that the price of the relevant security reflects the available public information. This price is a consensus price reflecting the market participants' consensus regarding fair value given the available public information. Recent court decisions explain this nuance in greater detail.²

The *Cammer* Factors

11. In *Cammer v. Bloom*, 711 F. Supp. 1264 (D.N.J. 1989), the court analyzed the criteria that should be met to show that shares of common stock traded in an efficient market. First, the security should trade in an open market in which a large number of investors can buy or sell the security. Second, it should trade in a developed market with a relatively high level of activity and frequency, and for which trading information (*e.g.*, price and volume) is widely available. It usually, but not necessarily, has continuity and liquidity (the ability to absorb a reasonable amount of trading with relatively small price changes.)

12. The *Cammer* Court provided five factors, often referred to as the *Cammer* factors, to test whether the market for a specific security is efficient. The *Cammer* factors are as follows:

- (a) Whether the security traded at a large weekly volume;
- (b) Whether analysts followed and reported on the security;

² *In re PolyMedica Corp. Sec. Litig.*, 432 F.3d 1 (1st Cir. 2005); *In re eXcelera.com Sec. Litig.*, 430 F.3d 503 (1st Cir. 2005).

(c) Whether the security had market makers and whether there is the potential for arbitrage activity;

(d) Whether the company was eligible to file SEC Form S-3; and

(e) Whether there are empirical facts showing a cause-and-effect relationship between unexpected corporate events or financial information releases, and an immediate response in the security's price.

In the paragraphs below I examine each of the *Cammer* factors individually.

Factor 1: Weekly Volume

13. Trading volume is a good indicator of a well-developed market. During the Class Period, Flowserve had a reported trading volume of more than 143 million shares with a dollar trading volume of more than \$3.5 billion. Average reported daily trading volume during the Class Period was almost 350,000 shares with an average daily dollar volume of more than \$8.5 million. *See* Exhibit B attached hereto. The large amount of trading in Flowserve's common stock during the Class Period supports my opinion that Flowserve's common stock traded in an efficient market.

14. One authority has suggested that "'turnover measured by average weekly trading of 2% or more of the outstanding shares would justify a strong presumption that the market for the security is an efficient one; 1% would justify a substantial presumption.'"³ During the Class Period, Flowserve's shares outstanding ranged from about 37.8 million shares to approximately 55.2 million shares. On average, the weekly trading volume was more than 3.5% of the outstanding shares, substantially above the benchmarks used by some courts to justify a strong presumption of market efficiency. *See* Exhibit C attached hereto.

³ *Cammer*, 711 F. Supp. 1264 at 1293 (quoting Bromberg & Lowenfels, 4 *Securities Fraud and Commodities Fraud*, §8.6 (Aug. 1988)).

Factor 2: Analyst Coverage

15. Analyst coverage of Flowserve refers to securities analysts who follow Flowserve and wrote research reports on the Company for public consumption. I have identified 11 different equity analysts covering Flowserve during 2001 and/or 2002. *See Exhibit D attached hereto.* These firms included Bear Stearns, Credit Suisse First Boston, Merrill Lynch, Morgan Stanley, and Wachovia Securities. The importance of analyst coverage, as it relates to market efficiency, is two-fold. First, it provides definitive evidence that securities analysts in fact did monitor Flowserve and provided investors with investment research on the Company. Second, it shows that there was enough demand from investors for research on Flowserve to provide an economic justification for doing the investment research on the Company. The large number of analysts covering Flowserve supports my opinion that Flowserve's common stock traded in an efficient market.

Factor 3: Market Makers and Arbitrage

16. Transactions on the New York Stock Exchange, or NYSE, do not go through market makers, rather, they go through designated specialists who are responsible for maintaining a fair, competitive, orderly and efficient market for the security assigned to them. The specialist is responsible for maintaining orderly trading while continually showing the best bids and offers, and will enter into a transaction using its own capital if there is a willing buyer or seller with no counter part. As a result, the specialist has a substantial economic interest in closely monitoring all the publicly available information relating to the company it is assigned to. The specialist system enables investors to trade continuously during market hours in an orderly and liquid market facilitating market efficiency.

17. Regarding the potential for arbitrage, millions of Flowserve shares were available to be sold short, in other words, borrowed and sold in the hopes that they could be repurchased at a lower price at a later date. Short selling enables investors to act on negative information about a

company, even if they do not own shares in the company, and is often used by arbitrageurs. In other words, short selling is one way investors can act on negative information, facilitating that such information become reflected in the stock price. During the Class Period, the short interest in Flowserve common stock increased from 242,127 shares in February of 2001 to more than 3.3 million in September of 2002. See Exhibit E attached hereto. The large number of shares sold short also supports my opinion that Flowserve common stock traded in an efficient market.

Factor 4: Eligibility to File on Form S-3

18. To be eligible to file Form S-3, a company has to be an SEC reporting company for 12 months, and have \$75 million in voting stock held by non-affiliates. Flowserve met these benchmarks during the Class Period, and, in fact, filed Form S-3 registration statements twice during the Class Period, on May 31, 2001 and on July 2, 2001. Eligibility to file on Form S-3 is one factor the *Cammer* court considered indicative of market efficiency.

Factor 5: Price Reaction to New Material Information

19. The ultimate test of market efficiency is a stock's actual price reaction to unexpected new material information. This test is conducted by identifying a day when there was new material information disclosed about a company that investors would view as significantly negative or positive about the company's future prospects, and then examining the price movement following the announcement to determine whether or not the new information quickly became reflected in the company's common stock price.

20. To test how Flowserve's stock price responded to new, material information, I examined the stock price reaction to the Company lowering its guidance relating to future performance on July 22, 2002 (after the market had closed), and on September 27, 2002. The information disclosed on these two days was new, material and clearly negative, so one would expect that in an efficient market, Flowserve's stock price would decline quickly to reflect the new

negative information. Following the July 22, 2002 disclosure, Flowserve's stock price declined from a closing price of \$23.24 per share on July 22, 2002 to a closing price of \$14.55 per share on July 23, 2002, a price decline of more than 37% on volume of almost 7.5 million shares – or more than 30 times the median daily volume during the Class Period. Similarly, following the September 27, 2002 disclosure, Flowserve's stock price declined from a closing price of \$14.10 per share on September 26, 2002 to a closing price of \$8.70 per share on September 27, 2002, a price decline of more than 38% on volume of almost 5.78 million shares – or more than 23 times the median daily volume during the Class Period. Both price declines were highly statistically significant at the 99% level of confidence.⁴ See Exhibit F attached hereto. The quick response to new material information is strong evidence of market efficiency, and supports my opinion that Flowserve's common stock traded in an efficient market.

Other Factors

21. In addition to the *Cammer* factors, I examined several other factors also commonly used to ascertain the efficiency of a market for legal purposes. Below is my summary of these additional factors:

Factor 6: Presence of Sophisticated Investors

22. Sophisticated investors are those who are able to quickly evaluate new information and understand its potential impact on the value of a security, and who then take appropriate investment actions causing the new information to become reflected in the price of the security. Thus, the presence of sophisticated investors is an important factor ensuring that a security is traded

⁴ In statistics, a result is considered significant if it is unlikely to have occurred by chance only. A stock price decrease (or increase) is defined as being statistically significant at the 90%, 95% or 99% level of confidence if it is greater than 90%, 95% or 99% of the price decreases (or increase) in a random sample, respectively, after adjusting for market factors.

in an efficient market. Institutional investors are such sophisticated investors. Consequently, I examined available information on institutional ownership of Flowserve common stock during the Class Period. This information is only available for certain large institutions on a quarterly basis, and is therefore not a complete list of all sophisticated investors who may have owned Flowserve stock during the Class Period. However, evidence that the reporting institutions held a large number of shares is strong support that the market for that security is efficient.

23. Attached hereto as Exhibit G is a list of institutions that reported ownership during the Class Period of Flowserve common stock. For example, as of June 30, 2002 these institutions owned more than 52.5 million shares, having a market value of more than \$1.5 billion (52.5 million shares x \$29.80 per share, Flowserve's closing price on Friday June 28, 2002). The market value of these investments held by the large institutions provided an economic incentive for them to monitor their Flowserve investment and take appropriate investment actions when necessary. The large number of shares owned by sophisticated institutions supports my opinion that Flowserve's common stock traded in an efficient market.

Factor 7: The New York Stock Exchange

24. During the Class Period, Flowserve shares traded on the New York Stock Exchange,. The NYSE is one of the largest and most sophisticated securities markets in the world. For 2001 and 2002, the NYSE reported dollar value of trading was in excess of \$10.48 trillion and \$10.31 trillion, respectively.⁵ As a result, market efficiency is commonly presumed for securities that trade on the NYSE. As stated by Michael C. Jensen, a well known Harvard economist:⁶

⁵ Source: <http://www.nyse.com>.

⁶ Jensen, Michael C., "Some Anomalous Evidence Regarding Market Efficiency," *Journal of Financial Economics*, Vol., 6, Nos. 2/3, pp. 95-101 (1978).

I believe there is no other proposition in economics which has more solid empirical evidence supporting it than the Efficient Market Hypothesis. That hypothesis has been tested and, with very few exceptions, found consistent with the data in a wide variety of markets: the New York and American Stock Exchanges, . . . the option market

The fact that Flowserve traded on the NYSE supports my opinion that Flowserve's common stock traded in an efficient market.

Factor 8: Market Capitalization and Market Value of Public Float

25. Large market capitalization and large market value of public float may be an indicator of efficiency as sophisticated investors may be more inclined to invest more in larger companies. Market capitalization is calculated based on shares outstanding, while market value of public float is generally calculated based on the shares outstanding net of insider ownership. During the Class Period, both Flowserve's market capitalization and market value of public float ranged from roughly \$700 million to almost \$2 billion. The large market capitalization and large market value of public float supports my opinion that Flowserve's common stock traded in an efficient market.

Call and Put Options

26. A stock option is essentially a contract that allows the purchaser to either buy or sell the underlying common stock at a fixed price (the strike price) for a finite time period (usually a few months). Consequently, the price of the option is directly linked to the price of the underlying security. For Flowserve call and put options, this means that their price is directly linked the price of Flowserve's common stock. The theoretical relationship is often referred to as the Put-Call Parity, and if violated, creates an arbitrage opportunity. This is one of the reasons why the option market generally is presumed to be efficient. As noted in one academic paper:⁷

⁷ Poon, Ser-Huang and Pope, Peter F., "Trading Volatility Spreads: A Test of Index Option Market Efficiency," Lancaster University Management School, Accounting and Finance Working Paper No. 99/12 (July 1999).

Most prior research on the efficiency of traded option markets usually involves testing whether options are fairly priced, conditional on a pricing model and a volatility forecast. The consensus view emerging from such research is that stock option prices are efficient.

27. Courts also have viewed the option market as efficient. As noted by the *Cammer* court:⁸

“[A]t a minimum, there should be a presumption – probably conditional for class determination – that certain markets are developed and efficient for virtually all the securities traded there: the New York and American Stock Exchanges, the Chicago Board Options Exchange and the NASDAQ National Market System.”

28. Several of the factors above supporting market efficiency relate to the Company, thus, they would relate to all of the Company’s securities, including options. I have also reviewed the available options data and confirmed that there was a quick reaction to the Company’s July 22, 2002 and September 27, 2002 announcements.⁹

29. Based on the above, it is my opinion that Flowserve’s options also traded in an efficient market during the Class Period.

IV. LOSS CAUSATION

30. Loss causation relates to the question of whether an alleged fraud caused plaintiffs to suffer economic losses. A key issue in determining loss causation in securities fraud cases, therefore, is whether the alleged misrepresentations and/or omissions were material, and, as a result, caused the price of the security to trade at artificially inflated levels during a class period. Last year, in *Dura Pharmaceuticals, Inc. v. Broudo*, 544 U.S. 336, 125 S. Ct. 1627 (2005), the Supreme Court considered the issue of loss causation for pleading purposes. The *Dura* opinion stated that “an inflated purchase price will not itself constitute or proximately cause the relevant economic loss,”

⁸ *Cammer*, 711 F. Supp. 1264 at 1292.

⁹ Source: <http://www.historicaloptiondata.com>.

because “if, say, the purchaser sells the shares quickly before the relevant truth begins to leak out, the misrepresentation will not have led to any loss.”¹⁰ This has led to the following, post-Dura, definition of loss causation:¹¹

Loss causation exists whenever fraud leads the stock price to be higher than it should be, the buyer pays “too much” for the stock, and the buyer is unable to recover that overpayment in the marketplace.

31. In this case, plaintiffs allege that, during the Class Period, defendants issued false Flowserve financials and guidance, misleading investors as to the Company’s future prospects, thereby inflating Flowserve’s stock price causing investors to overpay for their shares. Furthermore, plaintiffs allege that when the Company failed to meet the inflated expectations regarding its future prospects, Flowserve’s stock price declined, eliminating the inflation, and, as a result, effectively locking in plaintiffs’ economic losses relating to the alleged fraud.

32. In the paragraphs below, I will first summarize my assumptions regarding plaintiffs’ allegations. Second, I will examine whether the alleged misrepresentations and omissions were material and caused Flowserve’s common stock to trade at inflated prices during the Class Period. Third, I will examine if, and, if so, how, the truth about the Company’s true financial prospects was revealed to investors, and whether this eliminated any inflation in Flowserve’s stock price.

Assumptions

33. For the purpose of my analysis, I have assumed that all of plaintiffs’ allegations are true. To summarize, plaintiffs allege that, during the Class Period, Flowserve reported false financial results and provided misleading guidance as to future results. Furthermore, the Company is

¹⁰ *Dura*, 125 S. Ct. at 1631.

¹¹ Thorsen, Kaplan and Hakala, “Rediscovering the Economics of Loss Causation,” forthcoming in *Journal of Business and Security Law Acceptance* (January 2006 working paper with bepress).

alleged to have concealed that it was experiencing problems integrating the various companies it had acquired and that it was in violation of the Company's debt covenants.

34. Regarding the allegedly false financials reported prior to and during the Class Period, I have assumed that the Company's restatement of these financials in its Form 10-K filed on February 13, 2006 is true and correct. The table below shows the impact of these restatements on Flowserve's Net Income.

	As Originally Reported	As Restated	Difference
2000	\$13.2 million	\$5.4 million	\$7.8 million
2001	(\$1.5 million)	(\$16 million)	\$14.5 million
2002	\$53 million	\$34.8 million	\$18.2 million

Materiality

35. Material information is often defined as information that a reasonable investor would want to consider prior to making an investment decision. In *Basic*, the Supreme Court quoted *TSC Industries, Inc. v. Northway, Inc.*, 426 U.S. 438 (1976), which stated that a fact is material "if there is a substantial likelihood that a reasonable shareholder would consider it important" in making an investment decision or if it would have "significantly altered the 'total mix' of information made available" to the shareholder.¹² The issues that are important to investors, *i.e.*, the information that reasonable investors would want to consider prior to making an investment decision, are usually factors that impact the value of an investment. In general, the value of an investment is based on the expected future cash flows of that investment, including the timing and associated risk of such cash flows. Securities analysts typically look at the earnings of a company as an indication of that

¹² *Basic*, 485 U.S. at 231-32 (quoting *TSC*, 426 U.S. at 449).

company's cash flows. Consequently, a company's earnings and earnings growth are important factors when valuing the company.

36. The future earnings, or cash flows, of a company are not known, and therefore they have to be estimated. A key factor considered by reasonable investors estimating future earnings is a company's historical earnings. When a company reports new earnings, investors analyze these earnings and, if necessary, make adjustments to their forecasts of future earnings. If a company reports earnings below expectations, investors will generally lower their forecasts of future earnings, reducing the value of the company, resulting in a decline in the stock price. If a company reports earnings above expectations, investors will generally raise their forecasts of future earnings, increasing the value of the company, resulting in an increase in the stock price.

37. In this case, the Class Period starts on February 6, 2001 when Flowserve reported its financial results for the year ending December 31, 2000. Specifically, the Company reported that its full year net income for 2000 was \$13.2 million, or \$0.35 per share, an increase compared with the \$12.2 million, or \$0.32 per share, reported for 1999. Based on the February 13, 2006 restatement, the Company's actual earnings for 2000 was only \$5.4 million, less than half of that reported, and a decline of roughly 55% from the net income reported for 1999. Furthermore, the earnings release quoted defendant Scott Greer providing future guidance as follows:

Even if sales were to be flat, we would still anticipate improved results in 2001 due to the expected capture of synergies from the IDP acquisition. Specifically, we believe Flowserve can produce full year 2001 earnings per share in the range of \$1.70 to \$1.90, excluding special charges.

38. On July 24, 2001, defendant Greer lowered earnings guidance for 2001 to \$1.45-\$1.65 per share, excluding integration expenses. Following this disclosure, Flowserve's stock price fell from a closing price of \$26.05 per share on July 23, 2001 to a closing price of \$23.24 per share on July 24, 2001, a decline of 10.8% on volume of more than 2 million shares – or more than 8 times

the median during the Class Period. This price decline was statistically significant at the 99% level of confidence.

39. On February 4, 2002, Flowserve reported its results for the fiscal year ended December 12, 2001. Specifically, the Company reported a loss of \$1.5 million for 2001, or a loss of \$0.04 per share. Based on the February 13, 2006 restatement, the Company's actual loss for 2001 was roughly \$16 million, or \$14.5 million more than the loss reported. Furthermore, the earnings release quoted defendant Greer providing future guidance as follows:

While bookings in the first half of 2002 could be flat to slightly down, the outlook for second half bookings is up due to increased project activity, such as desulfurization.

* * *

That said, we still feel strongly that with the harvesting of the full year of captured synergies and the operating improvements we have made, we can expect to report first quarter 2002 earnings per share in the range of 27 to 31 cents compared with the year ago quarter's 10 cents, before special items, and reported net loss of 22 cents. We continue to expect to report full year 2002 earnings per share in the range of \$1.90 to \$2.30. The estimates for 2002 include the effects of the SFAS accounting pronouncement.

40. In my opinion, the allegedly false financial results reported by Flowserve, and the Company's allegedly false guidance was material information that significantly altered the total mix of information available to investors. The reported financial results had to be significantly reduced when the results were restated. As noted in a February 14, 2006 Bear Stearns analyst report following the restatements, the "2000 to 2003 earnings were restated materially, with operating income lowered by 3%-10% and net income lowered 16%-52% depending on the year." Furthermore, the earnings guidance provided by the Company throughout the Class Period was important information that was regularly repeated in numerous analyst reports. In my opinion, the allegedly false and misleading information increased investors' expectations regarding the

Company's future prospects, and, thereby, caused Flowserve's shares to trade at artificially inflated prices. This, in turn, caused investors to overpay for their Flowserve shares during the Class Period.

Truth Disclosed

41. It is commonly known that false and misleading information can increase investors' expectations regarding the future prospects of a company, thereby inflating that company's stock price. The inflated expectations (as well as the price inflation) are then, generally, reduced, either by: (a) the company failing to meet the inflated expectations, or (b) a specific disclosure of the falsehood or misleading nature of the information at issue. The first can take the form of a reduction in guidance, and the latter can take the form of a restatement of previously reported financial results.

42. In this case, investors' inflated expectations regarding Flowserve's future prospects were substantially reduced: a) on July 22, 2002 when the Company lowered its earnings guidance for 2002 from \$1.90-\$2.30 per share to \$1.70-\$1.90 per share, and b) on September 27, 2002 when the Company lowered its earnings guidance for 2002 from \$1.70-\$1.90 per share to \$1.45-\$1.55 per share. While neither of these disclosures revealed that the earlier reported financial results were false, they did reduce the extent earlier financial results would be relied on and used by investors to forecast future performance. The disclosures also revealed that the previous earnings guidance should no longer be relied on, and they increased investors' concerns about the Company complying with debt leverage covenants.

43. On July 22, 2002, after the market had closed, Flowserve reported its financial results for the second quarter of 2002 and reduced its earnings guidance relating to the full year 2002 from \$1.90-\$2.30 per share to \$1.70-\$1.90 per share. Following this announcement, Flowserve's stock price declined from a closing price of \$23.24 per share on July 22, 2002 to a closing price of \$14.55 per share on July 23, 2002, a price decline of more than 37% on volume of almost 7.5 million shares

– or more than 30 times the median daily volume during the Class Period. This price decline was highly statistically significant at the 99% level.

44. On September 27, 2002, Flowserve again reduced its earnings guidance relating to the full year 2002 from \$1.70-\$1.90 per share to \$1.45-\$1.55 per share. Following this announcement, Flowserve's stock price declined from a closing price of \$14.10 per share on September 26, 2002 to a closing price of \$8.70 per share on September 27, 2002, a price decline of more than 38% on volume of almost 5.78 million shares – or more than 23 times the median daily volume during the Class Period. This price decline was highly statistically significant at the 99% level.

45. Flowserve's reductions in earnings guidance for 2002, while not a full disclosure of the alleged fraud in this case, substantially reduced investors' reliance on the prior allegedly false representations by Flowserve and substantially reduced investors' inflated expectations regarding the future prospects of the Company. Consequently, the reduction in earnings guidance for 2002 in July and September of 2002 substantially reduced the inflationary impact of the alleged false and misleading statements, thereby also substantially reducing the inflation. As noted in a September 30, 2002 Robert W. Baird analyst report:

Management credibility and its controls will nevertheless be an overhang on the stock for some time. One cannot ignore the lasting impact of the shortfalls announced in July and September disappointments, juxtaposed with the equity roadshow in April and upbeat investor conference in May.

46. Similarly, while the September 27, 2002 announcement did not disclose that the Company was in violation of its debt covenants, it did raise investor concern regarding this issue. As noted in a Credit Suisse First Boston analyst report:

Credit Concerns Significant Factor in Equity Market Reaction

While working capital, cash flow, cost reductions, and the other usual Flowserve topics were covered on the company's call on Friday, many questions focused on the company's potential to breach its debt covenants – specifically its leverage ratio covenant.

47. Based on the above, it is my opinion, that, at a minimum, the price declines on July 22, 2002 and September 27, 2002, represent declines resulting from the revelation of the Company's true financial condition and future prospects, substantially reducing the inflationary impact of the alleged false and misleading statements during the Class Period. Consequently, the disclosures reduced the inflation in Flowserve's stock price, thereby effectively locking in investors' economic losses caused by the alleged fraud.

V. TRACEABILITY

48. This case also include claims pursuant to Section 11 of the Securities Act of 1933 relating to Flowserve's secondary stock offerings on November 16, 2001 and on April 16, 2002. The Section 11 claims only cover shares actually issued in these two secondary offerings. As a result, it will be necessary for plaintiffs who seek to recover Section 11 damages to show that their shares can be traced to either the November Offering or the April Offering


49. In my experience, traceability of shares to secondary offerings has generally been accomplished in two different ways. First, records kept by underwriters obtained in discovery can show to whom the shares issued in the offering were sold. Underwriters keep track of the shares sold, including to whom the shares are sold to, as they have to deliver the shares to the purchasers, usually within one week of the offering. Second, if the shares were purchased in a secondary offering, the purchaser's confirmation slip will typically show that no brokerage commission has been paid on the transaction, as the company generally pays the commission for shares issued in a secondary offering. This was the case for the November Offering and the April Offering. In contrast, a normal open market transaction will have the commission paid by the purchaser to the broker on the confirmation slip. This is important information used for tax purposes. Also, the confirmation slip will show a purchase price of exactly the offering price, or \$23.50 per share for the November Offering and \$31.50 for the April Offering.

VI. CONCLUSION

50. Based on the above, it is my opinion that the market in which Flowserve common stock and options traded during the Class Period was impersonal, open, well developed, and efficient. Furthermore, it is my opinion that the allegedly false and misleading statements caused economic damages to investors who purchased Flowserve common stock during the Class Period. This also implies that purchasers of call options and sellers of put options would have suffered economic damages during the same time period.

I declare under penalty of perjury under the laws of the State of California that the foregoing is true and correct. Executed this 16th day of March, 2006, at San Diego, California.

Respectfully submitted,



BJORN I. STEINHOLT, CFA

Exhibit A

Bjorn I. Steinholt, CFA

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Employment History

- **2000 - Present Financial Markets Analysis, LLC, San Diego, California**

Founding Member. Mr. Steinholt provides a broad range of capital markets consulting, including financial and economic analyses relating to mergers and acquisitions, initial public offerings, fairness opinions and private placements. His practice area includes the valuation of whole businesses, financial securities and intangible assets. Furthermore, he provides consulting relating to complex securities litigations.

- **1998 - 2000 Business Valuation Services, Inc., San Diego, California**

Principal. Mr. Steinholt provided valuations of businesses and financial securities, including common stock, warrants, options, preferred stock, debt instruments and partnership interests, of companies in a myriad of industries. In addition, he performed valuations of intangible assets such as patents, trademarks, software, customer lists, work force and licensing agreements. Mr. Steinholt provided financial and economic analyses for a variety of purposes relating to mergers and acquisitions, initial public offerings, fairness opinions, bank financing, financial reporting requirements, tax-related issues, general advisory services and shareholder disputes.

- **1990 - 1998 Princeton Venture Research, Inc., San Diego, California**

Senior Vice President. Mr. Steinholt was a co-manager of Princeton Venture Research's San Diego office where he provided various financial and economic analyses for venture capital, investment banking and consulting assignments, including shareholder disputes. Among other things, he helped identify and evaluate prospective emerging technology companies in need of venture capital funding. In addition, Mr. Steinholt performed financial analyses related to market, industry and company economics and provided business valuation services involving different types of securities, including derivative securities.

- **1988 - 1989 University of San Diego, San Diego, California**

Research Assistant -- Graduate Fellow. Mr. Steinholt assisted with research regarding the performance of international equity markets following the 1987 stock market crash. He also developed computer programs related to the portfolio theory, including risk minimization and portfolio optimization based on quadratic programming techniques.

Testimony

In re: Qwest Communications Securities Litigation (United States District Court for the District of Colorado), QwestDex Hearing, January 28, 2003.

In re: CBT Group PLC Securities Litigation (United States District Court, Northern District of California, San Jose Division), Deposition, November 5, 2003.

In re: America West Securities Litigation (United States District Court, District of Arizona), Deposition, October 28, 2004.

In re: Howard Yue vs. New Focus (Superior Court of the State of California, County of Santa Clara), Deposition, July 28, 2005 and August 9, 2005.

Formal Education

- **Master of International Business**
University of San Diego, 1989
- **Bachelor of Science, Computer Science Engineering**
California State University, Long Beach, 1987

Accreditation and Affiliations

- **Chartered Financial Analyst**
CFA Institute
- **Sivilingeniør** - (Norwegian graduate level engineering designation)
University of Trondheim, Norway
- **Member, CFA Institute**
- **Member, Financial Analysts Society of San Diego**

Exhibit B

Flowserve Corporation - Daily Volume

Date	Closing Price	Volume	Dollar Volume
2/6/2001	\$20.75	664,900	\$13,796,675
2/7/2001	\$20.93	262,200	\$5,487,846
2/8/2001	\$20.92	148,800	\$3,112,896
2/9/2001	\$20.90	95,900	\$2,004,310
2/12/2001	\$21.03	102,700	\$2,159,781
2/13/2001	\$21.27	247,100	\$5,255,817
2/14/2001	\$21.26	43,500	\$924,810
2/15/2001	\$21.77	168,400	\$3,666,068
2/16/2001	\$21.59	143,000	\$3,087,370
2/20/2001	\$22.75	255,100	\$5,803,525
2/21/2001	\$22.20	156,800	\$3,480,960
2/22/2001	\$22.22	137,900	\$3,064,138
2/23/2001	\$22.30	89,000	\$1,984,700
2/26/2001	\$22.00	138,900	\$3,055,800
2/27/2001	\$21.06	164,700	\$3,468,582
2/28/2001	\$21.00	153,200	\$3,217,200
3/1/2001	\$21.42	188,700	\$4,041,954
3/2/2001	\$22.00	66,700	\$1,467,400
3/5/2001	\$22.74	64,800	\$1,473,552
3/6/2001	\$23.14	113,100	\$2,617,134
3/7/2001	\$23.90	152,800	\$3,651,920
3/8/2001	\$22.75	270,900	\$6,162,975
3/9/2001	\$23.25	384,600	\$8,941,950
3/12/2001	\$22.70	102,100	\$2,317,670
3/13/2001	\$22.67	63,100	\$1,430,477
3/14/2001	\$21.80	57,000	\$1,242,600
3/15/2001	\$22.05	119,000	\$2,623,950
3/16/2001	\$20.77	123,100	\$2,556,787
3/19/2001	\$21.15	98,200	\$2,076,930
3/20/2001	\$21.01	57,800	\$1,214,378
3/21/2001	\$20.25	65,500	\$1,326,375
3/22/2001	\$19.90	92,700	\$1,844,730
3/23/2001	\$21.01	189,600	\$3,983,496
3/26/2001	\$20.64	93,200	\$1,923,648
3/27/2001	\$21.55	286,600	\$6,176,230
3/28/2001	\$20.46	120,600	\$2,467,476
3/29/2001	\$21.29	161,400	\$3,436,206
3/30/2001	\$22.44	256,800	\$5,762,592
4/2/2001	\$21.50	96,400	\$2,072,600
4/3/2001	\$21.03	170,100	\$3,577,203
4/4/2001	\$21.66	120,300	\$2,605,698
4/5/2001	\$22.51	111,000	\$2,498,610
4/6/2001	\$22.78	159,300	\$3,628,854
4/9/2001	\$23.72	342,200	\$8,116,984
4/10/2001	\$23.78	168,000	\$3,995,040
4/11/2001	\$23.40	124,000	\$2,901,600
4/12/2001	\$23.85	72,800	\$1,736,280
4/16/2001	\$23.40	163,400	\$3,823,560
4/17/2001	\$24.15	321,400	\$7,761,810

Flowserve Corporation - Daily Volume

Date	Closing Price	Volume	Dollar Volume
4/18/2001	\$24.39	271,000	\$6,609,690
4/19/2001	\$25.69	362,900	\$9,322,901
4/20/2001	\$24.50	414,600	\$10,157,700
4/23/2001	\$24.35	327,900	\$7,984,365
4/24/2001	\$26.22	405,300	\$10,626,966
4/25/2001	\$27.40	483,500	\$13,247,900
4/26/2001	\$27.95	138,200	\$3,862,690
4/27/2001	\$28.29	207,700	\$5,875,833
4/30/2001	\$28.30	275,100	\$7,785,330
5/1/2001	\$27.98	335,700	\$9,392,886
5/2/2001	\$27.86	257,700	\$7,179,522
5/3/2001	\$27.55	284,600	\$7,840,730
5/4/2001	\$28.73	224,200	\$6,441,266
5/7/2001	\$29.05	325,800	\$9,464,490
5/8/2001	\$28.80	270,400	\$7,787,520
5/9/2001	\$28.80	138,200	\$3,980,160
5/10/2001	\$29.37	236,100	\$6,934,257
5/11/2001	\$28.64	191,400	\$5,481,696
5/14/2001	\$29.26	206,000	\$6,027,560
5/15/2001	\$29.00	239,300	\$6,939,700
5/16/2001	\$29.09	301,300	\$8,764,817
5/17/2001	\$30.54	383,400	\$11,709,036
5/18/2001	\$31.75	358,100	\$11,369,675
5/21/2001	\$32.47	376,700	\$12,231,449
5/22/2001	\$32.90	294,000	\$9,672,600
5/23/2001	\$32.31	166,100	\$5,366,691
5/24/2001	\$31.50	226,100	\$7,122,150
5/25/2001	\$31.41	138,300	\$4,344,003
5/29/2001	\$31.05	76,800	\$2,384,640
5/30/2001	\$29.50	146,800	\$4,330,600
5/31/2001	\$30.03	212,300	\$6,375,369
6/1/2001	\$30.29	169,500	\$5,134,155
6/4/2001	\$30.28	177,300	\$5,368,644
6/5/2001	\$32.24	251,400	\$8,105,136
6/6/2001	\$32.26	239,900	\$7,739,174
6/7/2001	\$31.60	143,300	\$4,528,280
6/8/2001	\$31.64	51,700	\$1,635,788
6/11/2001	\$30.95	152,500	\$4,719,875
6/12/2001	\$30.43	199,600	\$6,073,828
6/13/2001	\$31.01	125,900	\$3,904,159
6/14/2001	\$30.25	106,200	\$3,212,550
6/15/2001	\$30.65	198,800	\$6,093,220
6/18/2001	\$31.00	161,600	\$5,009,600
6/19/2001	\$30.45	108,600	\$3,306,870
6/20/2001	\$31.00	164,700	\$5,105,700
6/21/2001	\$32.60	397,600	\$12,961,760
6/22/2001	\$31.87	411,800	\$13,124,066
6/25/2001	\$30.10	189,900	\$5,715,990
6/26/2001	\$31.04	166,000	\$5,152,640

Flowserve Corporation - Daily Volume

Date	Closing Price	Volume	Dollar Volume
6/27/2001	\$30.89	110,700	\$3,419,523
6/28/2001	\$30.30	311,000	\$9,423,300
6/29/2001	\$30.75	349,700	\$10,753,275
7/2/2001	\$30.36	216,100	\$6,560,796
7/3/2001	\$30.65	133,800	\$4,100,970
7/5/2001	\$30.80	128,600	\$3,960,880
7/6/2001	\$29.75	96,800	\$2,879,800
7/9/2001	\$29.52	157,100	\$4,637,592
7/10/2001	\$27.38	500,100	\$13,692,738
7/11/2001	\$27.98	539,300	\$15,089,614
7/12/2001	\$28.15	302,500	\$8,515,375
7/13/2001	\$28.85	141,100	\$4,070,735
7/16/2001	\$27.68	104,600	\$2,895,328
7/17/2001	\$27.75	203,600	\$5,649,900
7/18/2001	\$27.12	116,000	\$3,145,920
7/19/2001	\$27.00	102,200	\$2,759,400
7/20/2001	\$26.35	178,900	\$4,714,015
7/23/2001	\$26.05	136,800	\$3,563,640
7/24/2001	\$23.24	2,082,100	\$48,388,004
7/25/2001	\$25.02	497,200	\$12,439,944
7/26/2001	\$24.74	296,600	\$7,337,884
7/27/2001	\$25.00	396,000	\$9,900,000
7/30/2001	\$24.80	197,700	\$4,902,960
7/31/2001	\$24.60	148,000	\$3,640,800
8/1/2001	\$24.96	233,900	\$5,838,144
8/2/2001	\$25.55	261,900	\$6,691,545
8/3/2001	\$25.56	237,700	\$6,075,612
8/6/2001	\$25.70	229,100	\$5,887,870
8/7/2001	\$25.36	193,200	\$4,899,552
8/8/2001	\$25.03	169,600	\$4,245,088
8/9/2001	\$25.10	135,400	\$3,398,540
8/10/2001	\$25.29	202,200	\$5,113,638
8/13/2001	\$25.51	203,500	\$5,191,285
8/14/2001	\$24.83	153,900	\$3,821,337
8/15/2001	\$25.12	343,900	\$8,638,768
8/16/2001	\$25.35	276,600	\$7,011,810
8/17/2001	\$25.25	134,300	\$3,391,075
8/20/2001	\$25.15	303,400	\$7,630,510
8/21/2001	\$24.92	297,700	\$7,418,684
8/22/2001	\$25.03	315,900	\$7,906,977
8/23/2001	\$25.01	147,400	\$3,686,474
8/24/2001	\$25.54	296,600	\$7,575,164
8/27/2001	\$25.09	126,700	\$3,178,903
8/28/2001	\$25.10	67,400	\$1,691,740
8/29/2001	\$25.40	96,800	\$2,458,720
8/30/2001	\$24.82	187,000	\$4,641,340
8/31/2001	\$24.95	104,600	\$2,609,770
9/4/2001	\$25.36	116,700	\$2,959,512
9/5/2001	\$25.50	144,000	\$3,672,000

Flowserve Corporation - Daily Volume

Date	Closing Price	Volume	Dollar Volume
9/6/2001	\$25.35	133,900	\$3,394,365
9/7/2001	\$25.22	225,500	\$5,687,110
9/10/2001	\$24.01	198,700	\$4,770,787
9/17/2001	\$23.15	127,700	\$2,956,255
9/18/2001	\$23.49	124,400	\$2,922,156
9/19/2001	\$22.12	113,800	\$2,517,256
9/20/2001	\$20.76	144,900	\$3,008,124
9/21/2001	\$19.33	274,400	\$5,304,152
9/24/2001	\$21.34	213,100	\$4,547,554
9/25/2001	\$20.44	177,600	\$3,630,144
9/26/2001	\$19.79	128,500	\$2,543,015
9/27/2001	\$19.68	149,500	\$2,942,160
9/28/2001	\$19.75	219,600	\$4,337,100
10/1/2001	\$19.70	162,900	\$3,209,130
10/2/2001	\$20.04	191,600	\$3,839,664
10/3/2001	\$20.39	126,700	\$2,583,413
10/4/2001	\$20.66	207,300	\$4,282,818
10/5/2001	\$20.77	122,100	\$2,536,017
10/8/2001	\$20.49	91,800	\$1,880,982
10/9/2001	\$20.42	63,800	\$1,302,796
10/10/2001	\$20.89	118,300	\$2,471,287
10/11/2001	\$20.78	126,500	\$2,628,670
10/12/2001	\$20.48	201,600	\$4,128,768
10/15/2001	\$21.34	231,700	\$4,944,478
10/16/2001	\$21.89	180,400	\$3,948,956
10/17/2001	\$21.77	177,700	\$3,868,529
10/18/2001	\$21.37	100,800	\$2,154,096
10/19/2001	\$21.21	202,400	\$4,292,904
10/22/2001	\$20.45	247,400	\$5,059,330
10/23/2001	\$21.84	827,800	\$18,079,152
10/24/2001	\$23.00	239,400	\$5,506,200
10/25/2001	\$22.88	137,700	\$3,150,576
10/26/2001	\$24.15	161,600	\$3,902,640
10/29/2001	\$23.49	133,900	\$3,145,311
10/30/2001	\$22.40	127,100	\$2,847,040
10/31/2001	\$23.38	196,700	\$4,598,846
11/1/2001	\$23.80	108,500	\$2,582,300
11/2/2001	\$24.90	155,800	\$3,879,420
11/5/2001	\$23.55	272,800	\$6,424,440
11/6/2001	\$24.00	256,500	\$6,156,000
11/7/2001	\$23.39	121,900	\$2,851,241
11/8/2001	\$23.76	143,300	\$3,404,808
11/9/2001	\$23.51	175,500	\$4,126,005
11/12/2001	\$24.00	278,300	\$6,679,200
11/13/2001	\$24.03	194,700	\$4,678,641
11/14/2001	\$24.00	100,600	\$2,414,400
11/15/2001	\$24.15	217,100	\$5,242,965
11/16/2001	\$23.46	1,949,000	\$45,723,540
11/19/2001	\$24.23	271,600	\$6,580,868

Flowserve Corporation - Daily Volume

Date	Closing Price	Volume	Dollar Volume
11/20/2001	\$23.65	184,500	\$4,363,425
11/21/2001	\$23.59	131,300	\$3,097,367
11/23/2001	\$23.83	65,900	\$1,570,397
11/26/2001	\$24.14	518,100	\$12,506,934
11/27/2001	\$24.00	220,200	\$5,284,800
11/28/2001	\$24.08	271,300	\$6,532,904
11/29/2001	\$24.39	196,000	\$4,780,440
11/30/2001	\$24.59	265,300	\$6,523,727
12/3/2001	\$25.10	568,700	\$14,274,370
12/4/2001	\$25.65	328,700	\$8,431,155
12/5/2001	\$25.85	323,300	\$8,357,305
12/6/2001	\$25.42	182,700	\$4,644,234
12/7/2001	\$25.68	208,300	\$5,349,144
12/10/2001	\$25.62	213,700	\$5,474,994
12/11/2001	\$25.73	199,900	\$5,143,427
12/12/2001	\$24.90	724,100	\$18,030,090
12/13/2001	\$24.36	223,900	\$5,454,204
12/14/2001	\$24.17	133,500	\$3,226,695
12/17/2001	\$25.10	323,900	\$8,129,890
12/18/2001	\$26.00	269,100	\$6,996,600
12/19/2001	\$26.05	344,800	\$8,982,040
12/20/2001	\$25.00	252,700	\$6,317,500
12/21/2001	\$26.22	520,500	\$13,647,510
12/24/2001	\$26.10	86,000	\$2,244,600
12/26/2001	\$26.20	156,300	\$4,095,060
12/27/2001	\$26.11	142,200	\$3,712,842
12/28/2001	\$26.36	172,300	\$4,541,828
12/31/2001	\$26.61	251,800	\$6,700,398
1/2/2002	\$26.41	212,800	\$5,620,048
1/3/2002	\$26.75	171,800	\$4,595,650
1/4/2002	\$26.34	246,500	\$6,492,810
1/7/2002	\$25.92	191,800	\$4,971,456
1/8/2002	\$26.16	232,900	\$6,092,664
1/9/2002	\$26.55	152,300	\$4,043,565
1/10/2002	\$25.81	124,900	\$3,223,669
1/11/2002	\$25.21	475,900	\$11,997,439
1/14/2002	\$24.27	321,200	\$7,795,524
1/15/2002	\$23.99	266,500	\$6,393,335
1/16/2002	\$23.01	218,700	\$5,032,287
1/17/2002	\$23.23	176,700	\$4,104,741
1/18/2002	\$23.08	317,200	\$7,320,976
1/22/2002	\$23.23	172,300	\$4,002,529
1/23/2002	\$23.65	133,800	\$3,164,370
1/24/2002	\$23.06	521,200	\$12,018,872
1/25/2002	\$23.97	273,700	\$6,560,589
1/28/2002	\$24.63	216,900	\$5,342,247
1/29/2002	\$24.00	194,200	\$4,660,800
1/30/2002	\$24.23	277,500	\$6,723,825
1/31/2002	\$24.79	147,400	\$3,654,046

Flowserve Corporation - Daily Volume

Date	Closing Price	Volume	Dollar Volume
2/1/2002	\$24.23	120,900	\$2,929,407
2/4/2002	\$24.01	189,700	\$4,554,697
2/5/2002	\$24.10	403,900	\$9,733,990
2/6/2002	\$23.45	728,000	\$17,071,600
2/7/2002	\$23.26	185,000	\$4,303,100
2/8/2002	\$24.48	170,000	\$4,161,600
2/11/2002	\$25.36	198,600	\$5,036,496
2/12/2002	\$25.00	241,100	\$6,027,500
2/13/2002	\$26.50	279,800	\$7,414,700
2/14/2002	\$26.74	625,700	\$16,731,218
2/15/2002	\$26.03	139,700	\$3,636,391
2/19/2002	\$26.36	151,000	\$3,980,360
2/20/2002	\$27.07	201,900	\$5,465,433
2/21/2002	\$27.26	266,500	\$7,264,790
2/22/2002	\$28.49	388,900	\$11,079,761
2/25/2002	\$28.25	278,700	\$7,873,275
2/26/2002	\$28.50	332,900	\$9,487,650
2/27/2002	\$28.46	549,700	\$15,644,462
2/28/2002	\$27.98	383,500	\$10,730,330
3/1/2002	\$28.30	291,900	\$8,260,770
3/4/2002	\$29.82	344,500	\$10,272,990
3/5/2002	\$29.72	366,500	\$10,892,380
3/6/2002	\$29.60	265,400	\$7,855,840
3/7/2002	\$29.98	337,200	\$10,109,256
3/8/2002	\$30.05	201,400	\$6,052,070
3/11/2002	\$30.12	123,300	\$3,713,796
3/12/2002	\$30.46	125,500	\$3,822,730
3/13/2002	\$30.50	214,900	\$6,554,450
3/14/2002	\$30.62	207,700	\$6,359,774
3/15/2002	\$30.50	216,100	\$6,591,050
3/18/2002	\$30.49	181,500	\$5,533,935
3/19/2002	\$31.91	348,800	\$11,130,208
3/20/2002	\$30.80	322,600	\$9,936,080
3/21/2002	\$30.59	391,900	\$11,988,221
3/22/2002	\$29.98	449,100	\$13,464,018
3/25/2002	\$30.60	416,200	\$12,735,720
3/26/2002	\$31.76	350,500	\$11,131,880
3/27/2002	\$31.95	442,100	\$14,125,095
3/28/2002	\$32.01	206,800	\$6,619,668
4/1/2002	\$32.35	212,900	\$6,887,315
4/2/2002	\$32.50	239,300	\$7,777,250
4/3/2002	\$32.14	268,200	\$8,619,948
4/4/2002	\$30.04	822,100	\$24,695,884
4/5/2002	\$30.54	531,700	\$16,238,118
4/8/2002	\$30.95	289,100	\$8,947,645
4/9/2002	\$31.50	227,900	\$7,178,850
4/10/2002	\$31.95	371,900	\$11,882,205
4/11/2002	\$31.63	342,100	\$10,820,623
4/12/2002	\$32.09	298,000	\$9,562,820

Flowserve Corporation - Daily Volume

Date	Closing Price	Volume	Dollar Volume
4/15/2002	\$31.17	358,400	\$11,171,328
4/16/2002	\$32.09	453,800	\$14,562,442
4/17/2002	\$32.70	4,152,800	\$135,796,560
4/18/2002	\$32.12	1,262,500	\$40,551,500
4/19/2002	\$32.27	689,600	\$22,253,392
4/22/2002	\$31.41	631,400	\$19,832,274
4/23/2002	\$31.25	546,200	\$17,068,750
4/24/2002	\$32.56	787,400	\$25,637,744
4/25/2002	\$33.52	808,200	\$27,090,864
4/26/2002	\$34.09	801,500	\$27,323,135
4/29/2002	\$33.81	622,800	\$21,056,868
4/30/2002	\$34.50	413,000	\$14,248,500
5/1/2002	\$34.52	971,100	\$33,522,372
5/2/2002	\$34.90	500,100	\$17,453,490
5/3/2002	\$34.80	424,800	\$14,783,040
5/6/2002	\$34.06	465,600	\$15,858,336
5/7/2002	\$33.84	261,900	\$8,862,696
5/8/2002	\$33.64	378,900	\$12,746,196
5/9/2002	\$33.34	254,800	\$8,495,032
5/10/2002	\$32.44	307,000	\$9,959,080
5/13/2002	\$33.02	262,900	\$8,680,958
5/14/2002	\$34.79	607,600	\$21,138,404
5/15/2002	\$34.17	260,100	\$8,887,617
5/16/2002	\$33.41	333,400	\$11,138,894
5/17/2002	\$33.98	303,700	\$10,319,726
5/20/2002	\$34.30	322,200	\$11,051,460
5/21/2002	\$32.83	254,400	\$8,351,952
5/22/2002	\$33.06	282,100	\$9,326,226
5/23/2002	\$33.88	317,400	\$10,753,512
5/24/2002	\$33.50	380,400	\$12,743,400
5/28/2002	\$33.00	230,400	\$7,603,200
5/29/2002	\$31.50	385,600	\$12,146,400
5/30/2002	\$31.05	496,300	\$15,410,115
5/31/2002	\$31.97	323,100	\$10,329,507
6/3/2002	\$31.41	295,400	\$9,278,514
6/4/2002	\$30.55	369,600	\$11,291,280
6/5/2002	\$30.82	296,600	\$9,141,212
6/6/2002	\$30.64	350,700	\$10,745,448
6/7/2002	\$31.60	361,100	\$11,410,760
6/10/2002	\$31.55	212,200	\$6,694,910
6/11/2002	\$31.12	244,000	\$7,593,280
6/12/2002	\$31.35	318,700	\$9,991,245
6/13/2002	\$30.60	263,200	\$8,053,920
6/14/2002	\$30.68	183,400	\$5,626,712
6/17/2002	\$31.42	297,400	\$9,344,308
6/18/2002	\$32.13	285,400	\$9,169,902
6/19/2002	\$31.55	220,400	\$6,953,620
6/20/2002	\$31.11	288,600	\$8,978,346
6/21/2002	\$30.79	330,300	\$10,169,937

Flowserve Corporation - Daily Volume

Date	Closing Price	Volume	Dollar Volume
6/24/2002	\$30.62	347,900	\$10,652,698
6/25/2002	\$29.85	320,000	\$9,552,000
6/26/2002	\$29.01	588,500	\$17,072,385
6/27/2002	\$29.20	502,600	\$14,675,920
6/28/2002	\$29.80	1,478,300	\$44,053,340
7/1/2002	\$28.15	1,021,500	\$28,755,225
7/2/2002	\$27.57	537,500	\$14,818,875
7/3/2002	\$27.13	472,200	\$12,810,786
7/5/2002	\$28.15	124,100	\$3,493,415
7/8/2002	\$27.86	221,700	\$6,176,562
7/9/2002	\$27.50	444,200	\$12,215,500
7/10/2002	\$27.65	535,400	\$14,803,810
7/11/2002	\$27.64	486,800	\$13,455,152
7/12/2002	\$27.53	209,200	\$5,759,276
7/15/2002	\$26.62	503,800	\$13,411,156
7/16/2002	\$24.90	1,152,300	\$28,692,270
7/17/2002	\$24.84	902,000	\$22,405,680
7/18/2002	\$24.70	259,800	\$6,417,060
7/19/2002	\$24.23	369,700	\$8,957,831
7/22/2002	\$23.24	516,800	\$12,010,432
7/23/2002	\$14.55	7,491,300	\$108,998,415
7/24/2002	\$17.20	2,928,500	\$50,370,200
7/25/2002	\$17.15	1,493,000	\$25,604,950
7/26/2002	\$16.61	1,132,700	\$18,814,147
7/29/2002	\$17.75	1,127,800	\$20,018,450
7/30/2002	\$17.70	678,400	\$12,007,680
7/31/2002	\$17.25	452,400	\$7,803,900
8/1/2002	\$16.82	454,200	\$7,639,644
8/2/2002	\$16.22	366,500	\$5,944,630
8/5/2002	\$15.88	699,300	\$11,104,884
8/6/2002	\$16.85	690,800	\$11,639,980
8/7/2002	\$16.87	509,400	\$8,593,578
8/8/2002	\$17.22	459,000	\$7,903,980
8/9/2002	\$17.38	490,300	\$8,521,414
8/12/2002	\$17.21	541,600	\$9,320,936
8/13/2002	\$17.15	414,800	\$7,113,820
8/14/2002	\$17.35	270,900	\$4,700,115
8/15/2002	\$17.70	264,500	\$4,681,650
8/16/2002	\$17.56	425,800	\$7,477,048
8/19/2002	\$18.31	390,000	\$7,140,900
8/20/2002	\$18.00	183,000	\$3,294,000
8/21/2002	\$18.44	225,500	\$4,158,220
8/22/2002	\$18.94	239,300	\$4,532,342
8/23/2002	\$18.19	357,300	\$6,499,287
8/26/2002	\$18.39	290,300	\$5,338,617
8/27/2002	\$18.45	583,100	\$10,758,195
8/28/2002	\$18.46	257,900	\$4,760,834
8/29/2002	\$18.53	276,200	\$5,117,986
8/30/2002	\$18.33	156,800	\$2,874,144

Flowserve Corporation - Daily Volume

Date	Closing Price	Volume	Dollar Volume
9/3/2002	\$17.31	467,900	\$8,099,349
9/4/2002	\$17.75	437,100	\$7,758,525
9/5/2002	\$17.40	553,800	\$9,636,120
9/6/2002	\$17.99	164,600	\$2,961,154
9/9/2002	\$17.97	143,500	\$2,578,695
9/10/2002	\$18.42	308,800	\$5,688,096
9/11/2002	\$18.27	289,900	\$5,296,473
9/12/2002	\$17.76	155,300	\$2,758,128
9/13/2002	\$17.35	283,800	\$4,923,930
9/16/2002	\$17.17	333,700	\$5,729,629
9/17/2002	\$16.75	371,800	\$6,227,650
9/18/2002	\$15.69	1,279,300	\$20,072,217
9/19/2002	\$15.07	417,800	\$6,296,246
9/20/2002	\$14.78	686,300	\$10,143,514
9/23/2002	\$14.45	388,600	\$5,615,270
9/24/2002	\$13.97	291,300	\$4,069,461
9/25/2002	\$14.09	669,900	\$9,438,891
9/26/2002	\$14.10	833,300	\$11,749,530
9/27/2002	\$8.70	5,777,400	\$50,263,380
Totals:		143,556,600	\$3,502,217,446
Averages:		349,286	\$8,521,210

Exhibit C

Flowserve Corporation - Weekly Volume

Date	Weekly Volume	Shares Outstanding	% Traded
2/9/2001	1,335,200	37,886,809	3.5%
2/16/2001	704,700	37,886,809	1.9%
2/23/2001	638,800	37,886,809	1.7%
3/2/2001	712,200	37,886,809	1.9%
3/9/2001	986,200	37,886,809	2.6%
3/16/2001	464,300	37,886,809	1.2%
3/23/2001	503,800	37,886,809	1.3%
3/30/2001	918,600	37,886,809	2.4%
4/6/2001	657,100	37,886,809	1.7%
4/13/2001	707,000	37,886,809	1.9%
4/20/2001	1,533,300	37,886,809	4.0%
4/27/2001	1,562,600	37,922,589	4.1%
5/4/2001	1,377,300	37,922,589	3.6%
5/11/2001	1,161,900	37,922,589	3.1%
5/18/2001	1,488,100	37,922,589	3.9%
5/25/2001	1,201,200	37,922,589	3.2%
6/1/2001	605,400	37,922,589	1.6%
6/8/2001	863,600	37,922,589	2.3%
6/15/2001	783,000	37,922,589	2.1%
6/22/2001	1,244,300	37,922,589	3.3%
6/29/2001	1,127,300	37,922,589	3.0%
7/6/2001	575,300	37,922,589	1.5%
7/13/2001	1,640,100	37,922,589	4.3%
7/20/2001	705,300	37,922,589	1.9%
7/27/2001	3,408,700	37,813,033	9.0%
8/3/2001	1,079,200	37,813,033	2.9%
8/10/2001	929,500	37,813,033	2.5%
8/17/2001	1,112,200	37,813,033	2.9%
8/24/2001	1,361,000	37,813,033	3.6%
8/31/2001	582,500	37,813,033	1.5%
9/7/2001	620,100	37,813,033	1.6%
9/14/2001	198,700	37,813,033	0.5%
9/21/2001	785,200	37,813,033	2.1%
9/28/2001	888,300	37,813,033	2.3%
10/5/2001	810,600	37,813,033	2.1%
10/12/2001	602,000	37,813,033	1.6%
10/19/2001	893,000	37,813,033	2.4%
10/26/2001	1,613,900	37,860,447	4.3%
11/2/2001	722,000	37,860,447	1.9%
11/9/2001	970,000	37,860,447	2.6%
11/16/2001	2,739,700	44,331,979	6.2%
11/23/2001	653,300	44,331,979	1.5%
11/30/2001	1,470,900	44,331,979	3.3%
12/7/2001	1,611,700	44,331,979	3.6%
12/14/2001	1,495,100	44,331,979	3.4%
12/21/2001	1,711,000	44,331,979	3.9%
12/28/2001	556,800	44,331,979	1.3%
1/4/2002	882,900	44,331,979	2.0%
1/11/2002	1,177,800	44,331,979	2.7%

Flowserve Corporation - Weekly Volume

Date	Weekly Volume	Shares Outstanding	% Traded
1/18/2002	1,300,300	44,331,979	2.9%
1/25/2002	1,101,000	44,331,979	2.5%
2/1/2002	956,900	44,331,979	2.2%
2/8/2002	1,676,600	44,331,979	3.8%
2/15/2002	1,484,900	45,277,715	3.3%
2/22/2002	1,008,300	45,277,715	2.2%
3/1/2002	1,836,700	45,277,715	4.1%
3/8/2002	1,515,000	45,277,715	3.3%
3/15/2002	887,500	45,277,715	2.0%
3/22/2002	1,693,900	45,277,715	3.7%
3/29/2002	1,415,600	45,277,715	3.1%
4/5/2002	2,074,200	45,277,715	4.6%
4/12/2002	1,529,000	45,277,715	3.4%
4/19/2002	6,917,100	53,267,285	13.0%
4/26/2002	3,574,700	53,267,285	6.7%
5/3/2002	2,931,800	55,143,489	5.3%
5/10/2002	1,668,200	55,143,489	3.0%
5/17/2002	1,767,700	55,143,489	3.2%
5/24/2002	1,556,500	55,143,489	2.8%
5/31/2002	1,435,400	55,143,489	2.6%
6/7/2002	1,673,400	55,143,489	3.0%
6/14/2002	1,221,500	55,143,489	2.2%
6/21/2002	1,422,100	55,143,489	2.6%
6/28/2002	3,237,300	55,143,489	5.9%
7/5/2002	2,155,300	55,143,489	3.9%
7/12/2002	1,897,300	55,143,489	3.4%
7/19/2002	3,187,600	55,143,489	5.8%
7/26/2002	13,562,300	55,143,489	24.6%
8/2/2002	3,079,300	55,204,776	5.6%
8/9/2002	2,848,800	55,204,776	5.2%
8/16/2002	1,917,600	55,204,776	3.5%
8/23/2002	1,395,100	55,204,776	2.5%
8/30/2002	1,564,300	55,204,776	2.8%
9/6/2002	1,623,400	55,204,776	2.9%
9/13/2002	1,181,300	55,204,776	2.1%
9/20/2002	3,088,900	55,204,776	5.6%
9/27/2002	7,960,500	55,204,776	14.4%
Average:	1,671,163		3.6%

Exhibit D

Nelson Information's Directory
of
**INVESTMENT
RESEARCH
2002**

Volume II - U.S. Companies

Section 1.....	<i>U.S. Company Profiles/Analyst Coverage</i>
Section 2.....	<i>Index of U.S. Public Companies by Industry</i>
Section 3.....	<i>Index of U.S. Public Companies by City and State</i>
Section 4.....	<i>Master Alphabetic Index</i>

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APP079

U.S. COMPANY PROFILES/ANALYST COVERAGE. SECTION 1

Florida Rock Industries

(FRK - New York Stock Exchange)

155 East 21st Street 904 355-1781
P.O. Box 4667 (fax) 904 791-1810
Jacksonville, FL 32206

Florida Rock Industries is a southeastern construction materials Company that concentrates in construction aggregates and concrete products.

Chairman..... Edward L. Baker, 65 (41 yrs)
CEO..... John D. Baker II, 52 (27 yrs)
President..... John D. Baker II, 52 (27 yrs)
Vice President..... Thompson S. Baker (Jacksonville)
CFO..... James J. Gilstrap, 53 (4 yrs)
Treasurer..... James J. Gilstrap, 53 (4 yrs)
Controller..... Stephen C. Travis
Investor Relations..... James J. Gilstrap, 53 (4 yrs)
Secretary..... Dennis D. Frick, 58 (21 yrs)
General Counsel..... Dennis D. Frick, 58 (21 yrs)
Human Resources..... Bob Banks
Employee Benefits..... Lee Carroll (Jacksonville)
Risk Management..... Paul Hunter Jr.
MIS..... George Ross

Year	Sales (\$000)	Net Inc (\$000)	\$ EPS
9/2000	647,800	59,700	1.71
9/1999	579,300	46,600	1.61
9/1998	492,500	38,900	1.35
9/1997	456,800	37,100	1.33
9/1996	398,700	27,000	0.95

4-yr. Growth Rate 12.9% 21.9%

Employees: 2,635
Shareholders: 5,588
Shares Out: 28,100,000
Market Val (Mil): \$880
Legal Counsel: LaBoeuf, Lamb, Greene & McRae LLP

Auditor: Deloitte & Touche LLP
Transfer Agent: First Union National Bank of North Carolina

Institutional Owner	% Owned	\$ Owned
Fidelity Management & Research	7.3%	64.2 mil
Esabrook Capital Management	4.2%	36.9 mil
Barclays Bank PLC	1.9%	16.7 mil
Other Institutional Owners	40.1%	352.7 mil
Total 179 Institutions	53.5%	470.5 mil

Equity Analyst Coverage:
BB & T Capital Markets ... John F. Kasprzak Jr. 804 643-1811
CJS Securities ... Arnold Ursaner 914 287-7600
... John Reilly 914 287-7600
Davenport & Co. ... Robert F. Norflet III 804 780-2000
Legg Mason Wood Walker ... David Weaver 410 539-0000
Merrill Lynch Global Securities
... Jonathan L. Goldfarb 212 449-1000
UBS Warburg ... Trip Rodgers 212 713-2000

Flour City International Inc.

(FCIN - Nasdaq National Market)

915 Riverview Drive 423 928-2724
Suite One (fax) 423 928-0216
Johnson City, TN 37601
www.flourcity.com

Flour City International is engaged in the design and installation of custom exterior wall systems used in the construction of governmental and commercial buildings. The company works with general contractors and architects in the construction of landmark, public-use and high-rise buildings.

Chairman..... John W.Y. Tang
CEO..... John W.Y. Tang
President..... Edward M. Boyle III
Executive Vice President..... Johnson K. Fong
EVP, President/FCAM..... Roger Ulbricht
CFO..... James F. Lawler
Secretary..... Edward M. Boyle III

Employees: 870
Transfer Agent: Jersey Transfer and Trust Company

Equity Analyst Coverage:
Pershing/Div. of DLJ ... Richard A. Henderson 800 443-4342

Flowers Foods Inc.

(FLO - New York Stock Exchange)

1919 Flowers Cir 912 226-9110
Thomasville, GA 31757 (fax) 912 225-3823
www.flowersfoods.com

Flowers Foods is one of the nation's leading producers and marketers of packaged bakery foods. The Company has two business units- Mrs. Smith's Bakeries and Flowers Bakeries. Top brands include Mrs. Smith's, Petritz, Nature's Own, and Cobblestone Mill.

Chairman..... Amos R. McMullan
CEO..... Amos R. McMullan
President & Co./Flowers Bakeries..... George E. Deese
President & Co./Mrs. Smith's Bakeries..... Gary L. Harrison
CFO..... Jimmy M. Woodard
Treasurer..... Thomas B. Jones Jr.
Investor Relations..... Maria Jones Turner
Corp. Communications..... Maria Jones Turner
Secretary..... G. Anthony Campbell
General Counsel..... G. Anthony Campbell

Year	Sales (\$000)	Net Inc (\$000)	\$ EPS
12/2000	1,620,000	-42,300	

Institutional Owner	% Owned	\$ Owned
Gabelli Asset Management Co	8.0%	65.6 mil
Fidelity Mgmt & Research Co	5.3%	43.4 mil
Capital Mgmt Assoc, Inc. (NY)	4.3%	35.2 mil
Snyder Capital Mgmt, Inc.	4.1%	33.6 mil
John W. Bristol & Co, Inc.	3.0%	24.8 mil
Other Institutional Owners	33.4%	273.8 mil
Total 171 Institutions	58.1%	476.2 mil

Equity Analyst Coverage:
Argus Research ... Daniel Peris 212 425-7500
Bank of America Securities ... William Leach 212 583-8000
Bis & Pieses ... Tina Larsson 212 233-0100
Credit Suisse First Boston ... David C. Nelson(*) 212 325-2000
A.G. Edwards & Sons ... Christopher R. Growe 314 955-3000
Goldman Sachs ... Romina Mally 212 902-1000
Janney Montgomery Scott LLC
... Mitchell B. Pinheiro 215 665-6000

Merrill Lynch Global Securities
... G. Leonard Teilbaum 212 449-1000
Prudential Securities Research
... John M. McMullen(*) 212 778-1023

Fixed Income Analyst Coverage:
Merrill Lynch Global Securities
... Richard Edelman 212 449-1000
Standard & Poor's ... Pamela Atkins 212 438-2000

Flow International Corp.

(FLOW - Nasdaq National Market)

23500 64th Ave S 253 813-3500
Kent, WA 98032-2618 (fax) 253 813-3285
www.flowcorp.com

Engaged in the design, development, manufacture, sale and service of ultrahigh-pressure water jet curing & cleaning systems and the sale manufacture and distribution of access systems.

Chairman..... Ronald W. Tarrant, 64 (10 yrs)
CEO..... Ronald W. Tarrant, 64 (10 yrs)
President..... Ronald W. Tarrant, 64 (10 yrs)
COO..... R. Brad Lawrence, 54 (6 yrs)
Investor Relations..... Darla Paxman, (3 yrs)
CFO..... Steve Reichenbach, 39 (9 yrs)
Treasurer..... Steve Reichenbach, 39 (9 yrs)
Controller..... Mike O'Brien, (3 yrs)
Investor Relations..... Steve Reichenbach, 39 (9 yrs)
Corp. Communications..... Ken Mundt
Human Resources..... Brian Read
Employee Benefits..... Brian Read
Planning & Devel..... Ronald W. Tarrant, 64 (10 yrs)
Cash Management..... Steve Reichenbach, 39 (9 yrs)
MIS..... Gazel Tan, (5 yrs)

Year	Sales (\$000)	Net Inc (\$000)	\$ EPS
4/2001	207,200	5,000	0.33
4/2000	194,100	6,500	0.43
4/1999	148,200	6,700	0.45
4/1998	159,500	4,800	0.47
4/1997	168,200	700	0.51

4-yr. Growth Rate 5.4% 63.5%

Employees: 813
Shareholders: 1,582
Shares Out: 15,200,000

Flow International Corp. (continued)

Market Val (Mil): \$153
Legal Counsel: Preston Gates & Ellis
Auditor: PricewaterhouseCoopers
Transfer Agent: Chase Mellon Shareholder Services

Institutional Owner	% Owned	\$ Owned
Brown Capital Management, Inc.	12.7%	19.5 mil
Brown Capital Management	12.2%	18.7 mil
KCM Asset Management	9.9%	15.2 mil
DFA Investment Dimensions Group	3.6%	5.5 mil
Dimensional FD Advisors, Inc.	3.4%	5.2 mil
Other Institutional Owners	28.3%	43.4 mil
Total 96 Institutions	70.1%	107.4 mil

Equity Analyst Coverage:
Credit Suisse First Boston ... Thomas W. Lamb 617 556-5500

Flowserve Corp.

(FLS - New York Stock Exchange)

222 W Las Colinas Blvd 972 443-6500
Ste 1500 (fax) 972 443-6800
Irving, TX 75039-5421
www.flowserve.com

Flowserve Corporation is one of the world's leading providers of industrial flow management services. Operating in 30 countries, the Company produces engineered pumps for the process industries, precision mechanical seals, automated and manual quarter-turn valves, control valves and valve actuators.

Chairman..... C. Scott Greer (Irving), 50 (2 yrs)
CEO..... C. Scott Greer (Irving), 50 (2 yrs)
President..... C. Scott Greer (Irving), 50 (2 yrs)
VP/Information Technology..... Rory E. MacDowell, 50 (4 yrs)
Division President..... George A. Shediarski, 57 (29 yrs)
VP/Continuous Improvement & Supply Chain..... Mark Dailey, 42 (2 yrs)

Division President..... Howie Wynn, 54 (30 yrs)
CFO..... Renee J. Hornbaker, 48 (5 yrs)
Controller..... Kathleen A. Giddings, (17 yrs)
Investor Relations..... Mike Conley, 47 (1 yrs)
Corp. Communications..... Sean Clancy, (1 yrs)
Secretary..... Ronald F. Shuff (Irving), 49 (13 yrs)
General Counsel..... Ronald F. Shuff (Irving), 49 (13 yrs)
Employee Benefits..... Dave M. Stephens, 39 (4 yrs)
Cash Management..... Jeff D. Eastmead, 44 (3 yrs)
Risk Management..... John F. Phillips, 58 (37 yrs)

Year	Sales (\$000)	Net Inc (\$000)	\$ EPS
12/2000	1,538,300	15,300	1.35
12/1999	1,061,300	12,200	1.04
12/1998	1,083,100	47,700	1.88
12/1997	1,152,200	51,600	2.01

3-yr. Growth Rate 10.1% -33.3%

Employees: 10,000
Shareholders: 13,200
Shares Out: 37,800,000
Market Val (Mil): \$907
Auditor: PWC
Transfer Agent: National City Bank, Corporate Trust Operations

Institutional Owner	% Owned	\$ Owned
Gabelli Asset Management Co	10.1%	91.6 mil
Gamco Investors	7.8%	70.8 mil
Fidelity Mgmt & Research Co	6.8%	59.9 mil
Barclays Bank PLC	3.9%	35.4 mil
Gabelli Funds LLC	3.5%	31.8 mil
Other Institutional Owners	53.9%	489.0 mil
Total 247 Institutions	85.8%	778.4 mil

Equity Analyst Coverage:
Robert W. Baird & Co. ... Michael A. Schneider 414 765-3500
Bank of America Securities
... Karl C. Mergerthal 212 583-8000
Bear, Stearns ... Scott Graham 212 272-2000
Gabelli & Company ... James Fong 914 921-3700
Merrill Lynch Global Securities
... Donna G. Takeda 212 449-1000
Standard & Poor's ... Leo Larkin 212 438-2000

Fixed Income Analyst Coverage:
KDP Investment Advisors ... Terrence K. Dwyer 802 228-0544
Merrill Lynch Global Securities
... Jeff Skoglund(*) 212 449-1000

Nelson Information's Directory of INVESTMENT RESEARCH 2003

Volume II - U.S. Companies

Section 1	U.S. Company Profiles/Analyst Coverage
Section 2	Index of U.S. Public Companies by Industry
Section 3	Index of U.S. Public Companies by City and State
Section 4	Master Alphabetic Index

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NELSON'S DIRECTORY OF INVESTMENT RESEARCH - 2003 - Volume II

Florida Rock Industries (continued)

Company	% Owned	\$ Owned
Institutional Owner		
Estabrook Capital Management, Inc.	2.9%	27.7 mil
Barclays Bank Plc	2.6%	24.8 mil
Vanguard Group	2.3%	22.0 mil
Other Institutional Owners	38.2%	364.8 mil
Total 255 Institutions	57.6%	550.1 mil

Equity Analyst Coverage:

CJS Securities ... Arnold Ursaner	914 287-7600
John Reilly	914 287-7600
Davenport & Co. ... Robert F. Norfleet III	804 780-2000
Legg Mason Wood Walker ... David Weaver	410 539-0000
Merrill Lynch Global Securities ... Fritz von Carp	212 449-1000
UBS Warburg ... Trip Rodgers	212 713-2000

Flour City International Inc.

(FCIN - Nasdaq National Market)

915 Riverview Drive 423 928-2724
Suite One (fax) 423 928-0216
Johnson City, TN 37601
www.flourcity.com

Flour City International is engaged in the design and installation of custom exterior wall systems used in the construction of governmental and commercial buildings. The company works with general contractors and architects in the construction of landmark, public-use and high-rise buildings.

Chairman John W.Y. Tang
CEO John W.Y. Tang
President Edward M. Boyle III
Executive Vice President Johnson K. Fong
EVP, President/FCAM Roger Ulbricht
CFO James F. Lawler
Secretary Edward M. Boyle III

Employees: 870
Transfer Agent: Jersey Transfer and Trust Company

Equity Analyst Coverage:

Pershing/Div. of DLJ ... Richard A. Henderson 800 443-4342

Flowers Foods Inc.

(FLO - New York Stock Exchange)

1919 Flowers Cir 912 226-9110
Thomasville, GA 31757 (fax) 912 225-3816
www.flowersfoods.com

Flowers Foods is one of the nation's leading producers and marketers of packaged bakery foods. The Company has two business units: Mrs. Smith's Bakeries and Flowers Bakeries. Top brands include Mrs. Smith's, Pet-ritz, Nature's Own, and Cobblestone Mill.

Chairman Amos R. McMullan
CEO Amos R. McMullan
President & COO/Flowers Bakeries George E. Deese
President & COO/Mrs. Smith's Bakeries Bill Strenglis
CFO Jimmy M. Woodward
Treasurer Thomas B. Jones Jr.
Investor Relations Marta Jones Turner
Corp. Communications Steve Avera
Secretary Steve Avera
General Counsel Steve Avera

Year	Sales (\$000)	Net Inc (\$000)	\$ EPS
12/2001	1,629,000	-18,200	0.48
12/2000	1,620,000	-42,300	

1-yr. Growth Rate 0.6% N.M.

Shares Outs.: 29,700,000

Market Val (Mil): \$664

Institutional Owner	% Owned	\$ Owned
Gabelli Asset Management Company	12.2%	81.3 mil
John W. Bristol & Company, Inc.	5.7%	38.0 mil
Snyder Capital Management, L.P.	3.9%	26.0 mil
Capital Management Association, Inc. (NY)	3.0%	20.0 mil
Dalton Greiner Hartman Maher & Company	2.3%	15.3 mil
Other Institutional Owners	31.9%	212.6 mil
Total 179 Institutions	59.0%	383.2 mil

Flowers Foods (continued)

Equity Analyst Coverage:

Banc of America Securities ... William Leach	212 583-8000
Credit Suisse First Boston ... David C. Nelson(*)	212 325-2000
Deutsche Bank ... Eric R. Kalzman(*)	212 468-5000
A.G. Edwards & Sons ... Christopher R. Growe	314 955-3000
Insiderights ... Jonathan Moreland	212 631-0567
Merrill Lynch Global Securities	
... G. Leonard Teitelbaum	212 449-1000
Prudential Financial Research	
... John M. McMillin(*)	212 778-1023

Fixed Income Analyst Coverage:

Merrill Lynch Global Securities	
... Richard Edelman	212 449-1000

Flow International Corp.

(FLOW - Nasdaq National Market)

23500 64th Ave S 253 813-3500
Kent, WA 98032-2618 (fax) 253 813-3285
www.flowcorp.com

Engaged in the design, development, manufacture, sale and service of ultrahigh-pressure water jet curing & cleaning systems and the sale manufacture and distribution of access systems.

Chairman Ronald W. Tarrant, 65 (11 yrs)
CEO Ronald W. Tarrant, 65 (11 yrs)
President Ronald W. Tarrant, 65 (11 yrs)
COO R. Brad Lawrence, 55 (7 yrs)
Investor Relations Darla Paxman, (4 yrs)
CFO Steve Reichenbach, 40 (10 yrs)
Treasurer Steve Reichenbach, 40 (10 yrs)
Controller Mike O'Brien, (4 yrs)
Investor Relations Steve Reichenbach, 40 (10 yrs)
Corp. Communications Kan Mundt
Human Resources Brian Read
Employee Benefits Brian Read
Planning & Devel. Ronald W. Tarrant, 65 (11 yrs)
Cash Management Steve Reichenbach, 40 (10 yrs)
MIS Gazel Tan, (6 yrs)

Year	Sales (\$000)	Net Inc (\$000)	\$ EPS
9/2001	715,700	69,300	1.95
9/2000	647,800	58,700	1.71
9/1999	579,300	46,800	1.61
9/1998	492,500	38,900	1.35
9/1997	456,800	37,100	1.33

4-yr. Growth Rate 11.9% 16.9%

Employees: 813
Shareholders: 1,592
Shares Outs.: 28,500,000
Market Val (Mil): \$953
Legal Counsel: Preston Gates & Ellis
Auditor: PricewaterhouseCoopers
Transfer Agent: ChaseMellon Shareholder Services

Institutional Owner	% Owned	\$ Owned
Brown Capital Management, Inc.	6.8%	64.9 mil
ICM Asset Management, Inc.	4.9%	46.8 mil
Lord, Abbott & Company	4.3%	41.1 mil
Wellington Management Company, LLP	2.8%	26.7 mil
Heartland Advisor Inc.	1.8%	17.2 mil
Other Institutional Owners	51.7%	493.7 mil
Total 112 Institutions	72.3%	690.5 mil

No Analyst Coverage Reported

Flowserve Corp.

(FLS - New York Stock Exchange)

222 W Las Colinas Blvd 972 443-6500
Irving, TX 75039-5421 (fax) 972 443-6800
www.flowserve.com

Flowserve Corporation is one of the world's leading providers of industrial flow management services. Operating in 30 countries, the Company produces engineered pumps for the process industries, precision mechanical seals, automated and manual quarter-turn valves, control valves and valve actuators.

Chairman C. Scott Greer (Irving), 51 (3 yrs)
CEO C. Scott Greer (Irving), 51 (3 yrs)
President C. Scott Greer (Irving), 51 (3 yrs)
VP/Information Technology Rory E. MacDowell, 51 (5 yrs)
Division President George A. Shedlarski, 58 (30 yrs)

Flowserve Corp. (continued)

VP/Continuous Improvement & Supply Chain...

Mark Dailey, 43 (3 yrs)
Division President Howie Wynn, 55 (31 yrs)
CFO Renee J. Hombaker, 49 (6 yrs)
Controller Kathleen A. Giddings, (18 yrs)
Investor Relations Mike Conley, 48 (2 yrs)
Corp. Communications Sean Clancy, (2 yrs)
Secretary Ronald F. Shuff (Irving), 50 (14 yrs)
General Counsel Ronald F. Shuff (Irving), 50 (14 yrs)
Employee Benefits Dave M. Stephens, 40 (5 yrs)
Cash Management Jeff D. Eastmead, 45 (4 yrs)
Risk Management John F. Phillips, 59 (38 yrs)

Year	Sales (\$000)	Net Inc (\$000)	\$ EPS
12/2001	1,917,500	16,400	1.42
12/2000	1,538,300	15,300	1.35
12/1999	1,061,300	12,200	1.04
12/1998	1,083,100	47,700	1.88
12/1997	1,152,200	51,600	2.01

4-yr. Growth Rate 13.6% -24.9%

Employees: 10,000
Shareholders: 13,200
Shares Outs.: 55,200,000
Market Val (Mil): \$526
Auditor: PWC
Transfer Agent: National City Bank, Corporate Trust Operations

Institutional Owner	% Owned	\$ Owned
Gabelli Asset Management Company	7.9%	41.6 mil
Mellon Bank N.A.	4.1%	21.6 mil
Reich & Tang Asset Management L.P.	4.0%	21.1 mil
Janus Capital Corp.	3.3%	17.4 mil
Deutsche Bank Aktiengesellschaft	3.2%	16.9 mil

Equity Analyst Coverage:

Robert W. Baird & Co. ... Michael A. Schneider	800 792-2473
Banc of America Securities	
... Karl C. Mergenthaler	212 583-8000
Bear, Stearns ... R. Scott Graham	212 272-2000
Credit Suisse First Boston ... Gerald Brockman	212 325-2000
Dresdner Kleinwort Wasserstein	
... Fredrik Karlsson	44 20 7623-8000
Gabelli & Company ... James Fong	914 921-3700
Merrill Lynch Global Securities	
... Donna G. Takeda	212 449-1000
Morgan Stanley ... Stephen Volkman(*)	212 761-4000
Standard & Poor's ... Leo Larkin	212 438-2000
SunTrust Robinson Humphrey ... Keith B. Hughes	404 926-5000
Wachovia Securities ... Wendy B. Caplan	212 891-5000

Fixed Income Analyst Coverage:

KDP Investment Advisors ... Terrence K. Dwyer	802 229-0544
JP Morgan Global High Yield Credit	
... Manish A. Somaiya(*)	212 270-0740
UBS Warburg Fixed Income ... Jeff Skoglund(*)	203 719-3000

Fluor Corporation

(FLR - New York Stock Exchange)

1 Enterprise Dr 949 349-2000
Aliso Viejo, CA 92656 (fax) 949 349-5375
www.fluor.com

Fluor Corporation provides a diverse range of professional services worldwide including engineering, design, procurement, construction, business support services, maintenance, and other services.

Chairman Philip J. Carroll Jr.
CEO Philip J. Carroll Jr.
President Charles Hanson
President & CEO/Fluor Daniel Alan Boeckmann
CFO Ralph Hake
Treasurer Stephen F. Hull
Controller Victor L. Precht
Investor Relations Ula J. Chumey
Secretary Lawrence Fisher
Human Resources Lisa Glatch

Year	Sales (\$000)	Net Inc (\$000)	\$ EPS
12/2001	8,972,200	127,800	1.91

Employees: 53,561
Shares Outs.: 80,600,000
Market Val (Mil): \$1,763

Institutional Owner	% Owned	\$ Owned
Capital Guardian Trust Company	9.6%	169.3 mil

Exhibit E

<HELP> for explanation.

P215 Equity **SI**

Enter all values and hit <GO> or # <PAGE> for table.

SHORT INTEREST: FLS US \$ Flowserve Corp

PAGE 2 OF 3

Date	Short Interest	Close	Avg D Vol	Short Interest Ratio
10/02	3131691	11.72	960624	3.26
09/02	3308104	10.00	318960	10.37
08/02	3462049	18.33	1.04MLN	3.34
07/02	3817953	17.25	438315	8.71
06/02	3390103	29.80	326405	10.39
05/02	3302857	31.97	713291	4.63
04/02	2799302	34.50	335065	8.35
03/02	2309732	32.01	297579	7.76
02/02	2473251	27.98	268218	9.22
01/02	2044635	24.79	246205	8.30
12/01	1530867	26.61	330245	4.64
11/01	1348123	24.59	208622	6.46
10/01	1085370	23.38	153712	7.06
09/01	1273544	19.75	193725	6.57
08/01	1055220	24.95	308939	3.42
07/01	1089687	24.60	215017	5.07
06/01	961673	30.75	213718	4.50
05/01	975351	30.03	264023	3.69

Australia 61 2 9777 8600

Brazil 5511 3048 4500

Europe 44 20 7330 7500

Germany 49 69 920410

Hong Kong 852 2977 6000 Japan 81 3 3201 8900

Singapore 65 6212 1000 U.S. 1 212 318 2000

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<HELP> for explanation.

P215 Equity **SI**

Enter all values and hit <GO> or # <PAGE> for table.

SHORT INTEREST: FLS US \$ Flowserve Corp

PAGE 3 OF 3

Date	Short Interest	Close	Avg D Vol	Short Interest Ratio
04/01	776760	28.30	139195	5.58
03/01	545847	22.44	147317	3.71
02/01	242127	21.00	153983	1.57
01/01	143619	22.54	134211	1.07

Australia 61 2 9777 8600 Brazil 5511 3048 4500 Europe 44 20 7330 7500 Germany 49 69 920410
Hong Kong 852 2977 6000 Japan 81 3 3201 8900 Singapore 65 6212 1000 U.S. 1 212 318 2000 Copyright 2006 Bloomberg L.P.
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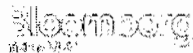


Exhibit F

Flowserve Corporation

Regression Analysis (Beta=.72, T-statistic=5.4, R-squared=18.7%, Control Period: 8/4/2000 through 2/5/2001)									
Flowserve			S&P 500 Machinery Index			Preliminary Analysis			
Date	Volume	Closing Price	Total Daily Returns	Index	% Change	Expected Return	Residual	Significance Level (one-tail)	
2/1/2001	56,800	\$22.55	0.04%	192.65	0.52%	n.a.	n.a.	n.a.	
2/2/2001	91,800	\$22.80	1.11%	191.25	-0.73%	n.a.	n.a.	n.a.	
2/5/2001	163,400	\$22.55	-1.10%	191.06	-0.10%	n.a.	n.a.	n.a.	
2/6/2001	664,900	\$20.75	-7.98%	190.41	-0.34%	-0.02%	-7.97%	100%	
2/7/2001	262,200	\$20.93	0.87%	190.79	0.20%	0.37%	0.50%	58%	
2/8/2001	148,800	\$20.92	-0.05%	190.66	-0.07%	0.18%	-0.23%	54%	
2/9/2001	95,900	\$20.90	-0.10%	188.77	-0.99%	-0.48%	0.39%	56%	
2/12/2001	102,700	\$21.03	0.62%	189.62	0.45%	0.55%	0.07%	51%	
2/13/2001	247,100	\$21.27	1.14%	190.23	0.32%	0.46%	0.68%	61%	
2/14/2001	43,500	\$21.26	-0.05%	188.70	-0.80%	-0.35%	0.30%	55%	
2/15/2001	168,400	\$21.77	2.40%	192.48	2.00%	1.67%	0.73%	62%	
2/16/2001	143,000	\$21.59	-0.83%	188.76	-1.93%	-1.16%	0.33%	55%	
2/20/2001	255,100	\$22.75	5.37%	186.76	-1.06%	-0.53%	5.91%	99%	
2/21/2001	156,800	\$22.20	-2.42%	184.75	-1.08%	-0.54%	-1.87%	78%	
2/22/2001	137,900	\$22.22	0.09%	183.40	-0.73%	-0.30%	0.39%	56%	
2/23/2001	89,000	\$22.30	0.36%	181.59	-0.99%	-0.48%	0.84%	64%	
2/26/2001	138,900	\$22.00	-1.35%	185.76	2.30%	1.88%	-3.22%	91%	
2/27/2001	164,700	\$21.06	-4.27%	184.66	-0.59%	-0.20%	-4.08%	95%	
2/28/2001	153,200	\$21.00	-0.28%	182.20	-1.33%	-0.73%	0.44%	57%	
3/1/2001	188,700	\$21.42	2.00%	182.54	0.19%	0.36%	1.64%	75%	
3/2/2001	66,700	\$22.00	2.71%	185.60	1.68%	1.43%	1.28%	70%	
3/5/2001	64,800	\$22.74	3.36%	191.59	3.23%	2.54%	0.82%	63%	
3/6/2001	113,100	\$23.14	1.76%	192.18	0.31%	0.45%	1.31%	71%	
3/7/2001	152,800	\$23.90	3.28%	197.44	2.74%	2.19%	1.09%	67%	
3/8/2001	270,900	\$22.75	-4.81%	199.90	1.25%	1.12%	-5.93%	99%	
3/9/2001	384,600	\$23.25	2.20%	194.32	-2.79%	-1.77%	3.97%	95%	
3/12/2001	102,100	\$22.70	-2.37%	188.94	-2.77%	-1.76%	-0.61%	60%	
3/13/2001	63,100	\$22.67	-0.13%	188.81	-0.07%	0.18%	-0.31%	55%	
3/14/2001	57,000	\$21.80	-3.84%	184.58	-2.24%	-1.38%	-2.46%	85%	
3/15/2001	119,000	\$22.05	1.15%	185.15	0.31%	0.45%	0.70%	61%	
3/16/2001	123,100	\$20.77	-5.80%	180.43	-2.55%	-1.60%	-4.20%	96%	

Flowers Corporation

Regression Analysis (Beta=72, T-statistic=5.4, R-squared=18.7%, Control Period: 8/4/2000 through 2/5/2001)									
Date	Flowserve			S&P 500 Machinery Index		Preliminary Analysis			Significance Level (one-tail)
	Volume	Closing Price	Total Daily Returns	Index	% Change	Expected Return	Residual		
3/19/2001	98,200	\$21.15	1.83%	182.25	1.01%	0.95%	0.88%	64%	
3/20/2001	57,800	\$21.01	-0.66%	178.31	-2.16%	-1.32%	0.66%	61%	
3/21/2001	65,500	\$20.25	-3.62%	172.36	-3.34%	-2.17%	-1.45%	73%	
3/22/2001	92,700	\$19.90	-1.73%	170.56	-1.04%	-0.52%	-1.21%	69%	
3/23/2001	189,600	\$21.01	5.58%	171.17	0.36%	0.48%	5.09%	98%	
3/26/2001	93,200	\$20.64	-1.76%	175.36	2.45%	1.98%	-3.75%	94%	
3/27/2001	286,600	\$21.55	4.41%	177.57	1.26%	1.13%	3.28%	91%	
3/28/2001	120,600	\$20.46	-5.06%	175.96	-0.91%	-0.42%	-4.64%	97%	
3/29/2001	161,400	\$21.29	4.06%	173.16	-1.59%	-0.91%	4.97%	98%	
3/30/2001	256,800	\$22.44	5.40%	172.81	-0.20%	0.08%	5.32%	99%	
4/2/2001	96,400	\$21.50	-4.19%	172.03	-0.45%	-0.10%	-4.09%	96%	
4/3/2001	170,100	\$21.03	-2.19%	166.48	-3.23%	-2.09%	-0.10%	52%	
4/4/2001	120,300	\$21.66	3.00%	171.01	2.72%	2.18%	0.82%	63%	
4/5/2001	111,000	\$22.51	3.92%	177.87	4.01%	3.11%	0.82%	63%	
4/6/2001	159,300	\$22.78	1.20%	174.94	-1.65%	-0.95%	2.15%	81%	
4/9/2001	342,200	\$23.72	4.13%	177.39	1.40%	1.23%	2.89%	89%	
4/10/2001	168,000	\$23.78	0.25%	180.71	1.87%	1.57%	-1.32%	71%	
4/11/2001	124,000	\$23.40	-1.60%	176.05	-2.58%	-1.62%	0.02%	50%	
4/12/2001	72,800	\$23.85	1.92%	180.34	2.44%	1.98%	-0.05%	51%	
4/16/2001	163,400	\$23.40	-1.89%	180.70	0.20%	0.37%	-2.26%	83%	
4/17/2001	321,400	\$24.15	3.21%	180.40	-0.17%	0.11%	3.10%	90%	
4/18/2001	271,000	\$24.39	0.99%	191.47	6.14%	4.63%	-3.64%	93%	
4/19/2001	362,900	\$25.69	5.33%	189.36	-1.10%	-0.56%	5.89%	99%	
4/20/2001	414,600	\$24.50	-4.63%	188.05	-0.69%	-0.27%	-4.36%	96%	
4/23/2001	327,900	\$24.35	-0.61%	187.39	-0.35%	-0.02%	-0.59%	60%	
4/24/2001	405,300	\$26.22	7.68%	186.49	-0.48%	-0.12%	7.80%	100%	
4/25/2001	483,500	\$27.40	4.50%	188.55	1.10%	1.02%	3.48%	93%	
4/26/2001	138,200	\$27.95	2.01%	190.33	0.94%	0.91%	1.10%	68%	
4/27/2001	207,700	\$28.29	1.22%	192.61	1.20%	1.09%	0.13%	52%	
4/30/2001	275,100	\$28.30	0.04%	192.31	-0.16%	0.12%	-0.08%	51%	
5/1/2001	335,700	\$27.98	-1.13%	192.97	0.34%	0.47%	-1.60%	75%	

Flowserve Corporation**Regression Analysis**

(Beta=.72, T-statistic=5.4, R-squared=18.7%, Control Period: 8/4/2000 through 2/5/2001)

Date	Flowserve			S&P 500 Machinery Index		Preliminary Analysis		
	Volume	Closing Price	Total Daily Returns	Index	% Change	Expected Return	Residual	Significance Level (one-tail)
5/2/2001	257,700	\$27.86	-0.43%	191.92	-0.54%	-0.16%	-0.27%	54%
5/3/2001	284,600	\$27.55	-1.11%	190.16	-0.92%	-0.43%	-0.68%	61%
5/4/2001	224,200	\$28.73	4.28%	192.30	1.13%	1.04%	3.25%	91%
5/7/2001	325,800	\$29.05	1.11%	193.07	0.40%	0.52%	0.60%	60%
5/8/2001	270,400	\$28.80	-0.86%	193.53	0.24%	0.40%	-1.26%	70%
5/9/2001	138,200	\$28.80	0.00%	193.25	-0.14%	0.12%	-0.12%	52%
5/10/2001	236,100	\$29.37	1.98%	196.43	1.65%	1.41%	0.57%	59%
5/11/2001	191,400	\$28.64	-2.49%	195.98	-0.23%	0.06%	-2.55%	86%
5/14/2001	206,000	\$29.26	2.16%	195.87	-0.06%	0.19%	1.98%	79%
5/15/2001	239,300	\$29.00	-0.89%	195.67	-0.10%	0.15%	-1.04%	67%
5/16/2001	301,300	\$29.09	0.31%	203.63	4.07%	3.15%	-2.84%	88%
5/17/2001	383,400	\$30.54	4.98%	205.10	0.72%	0.75%	4.24%	96%
5/18/2001	358,100	\$31.75	3.96%	204.88	-0.11%	0.15%	3.81%	94%
5/21/2001	376,700	\$32.47	2.27%	207.20	1.13%	1.04%	1.23%	69%
5/22/2001	294,000	\$32.90	1.32%	208.16	0.46%	0.56%	0.76%	62%
5/23/2001	166,100	\$32.31	-1.79%	205.19	-1.43%	-0.80%	-1.00%	66%
5/24/2001	226,100	\$31.50	-2.51%	204.81	-0.19%	0.10%	-2.60%	86%
5/25/2001	138,300	\$31.41	-0.29%	203.74	-0.52%	-0.15%	-0.14%	52%
5/29/2001	76,800	\$31.05	-1.15%	203.71	-0.01%	0.22%	-1.36%	71%
5/30/2001	146,800	\$29.50	-4.99%	200.21	-1.72%	-1.00%	-3.99%	95%
5/31/2001	212,300	\$30.03	1.80%	202.45	1.12%	1.03%	0.77%	62%
6/1/2001	169,500	\$30.29	0.87%	203.00	0.27%	0.42%	0.44%	57%
6/4/2001	177,300	\$30.28	-0.03%	204.33	0.66%	0.70%	-0.73%	62%
6/5/2001	251,400	\$32.24	6.47%	207.07	1.34%	1.19%	5.28%	99%
6/6/2001	239,900	\$32.26	0.06%	203.66	-1.65%	-0.95%	1.02%	66%
6/7/2001	143,300	\$31.60	-2.05%	204.94	0.63%	0.68%	-2.72%	87%
6/8/2001	51,700	\$31.64	0.13%	202.88	-1.01%	-0.49%	0.62%	60%
6/11/2001	152,500	\$30.95	-2.18%	200.06	-1.39%	-0.77%	-1.41%	72%
6/12/2001	199,600	\$30.43	-1.68%	199.71	-0.17%	0.10%	-1.78%	77%
6/13/2001	125,900	\$31.01	1.91%	199.33	-0.19%	0.09%	1.81%	77%
6/14/2001	106,200	\$30.25	-2.45%	196.89	-1.22%	-0.65%	-1.80%	77%

Flowserve Corporation**Regression Analysis**

(Beta= .72, T-statistic=5.4, R-squared=18.7%, Control Period: 8/4/2000 through 2/5/2001)

Flowserve				S&P 500 Machinery Index		Preliminary Analysis		
Date	Volume	Closing Price	Total Daily Returns	Index	% Change	Expected Return	Residual	Significance Level (one-tail)
6/15/2001	198,800	\$30.65	1.32%	198.25	0.69%	0.72%	0.60%	60%
6/18/2001	161,600	\$31.00	1.14%	197.72	-0.27%	0.04%	1.11%	68%
6/19/2001	108,600	\$30.45	-1.77%	195.88	-0.93%	-0.44%	-1.33%	71%
6/20/2001	164,700	\$31.00	1.81%	197.37	0.76%	0.77%	1.03%	67%
6/21/2001	397,600	\$32.60	5.16%	199.54	1.10%	1.02%	4.14%	96%
6/22/2001	411,800	\$31.87	-2.24%	196.55	-1.50%	-0.85%	-1.39%	72%
6/25/2001	189,900	\$30.10	-5.55%	193.51	-1.55%	-0.88%	-4.67%	97%
6/26/2001	166,000	\$31.04	3.12%	194.78	0.66%	0.70%	2.42%	84%
6/27/2001	110,700	\$30.89	-0.48%	190.24	-2.33%	-1.44%	0.96%	66%
6/28/2001	311,000	\$30.30	-1.91%	188.77	-0.77%	-0.33%	-1.58%	74%
6/29/2001	349,700	\$30.75	1.49%	187.19	-0.84%	-0.37%	1.86%	78%
7/2/2001	216,100	\$30.36	-1.27%	191.80	2.46%	1.99%	-3.26%	91%
7/3/2001	133,800	\$30.65	0.96%	193.15	0.70%	0.73%	0.22%	54%
7/5/2001	128,600	\$30.80	0.49%	193.31	0.08%	0.29%	0.20%	53%
7/6/2001	96,800	\$29.75	-3.41%	188.00	-2.75%	-1.74%	-1.67%	76%
7/9/2001	157,100	\$29.52	-0.77%	191.23	1.72%	1.46%	-2.23%	82%
7/10/2001	500,100	\$27.38	-7.25%	188.77	-1.29%	-0.69%	-6.55%	100%
7/11/2001	539,300	\$27.98	2.19%	188.08	-0.37%	-0.03%	2.23%	82%
7/12/2001	302,500	\$28.15	0.61%	195.96	4.19%	3.23%	-2.63%	86%
7/13/2001	141,100	\$28.85	2.49%	196.57	0.31%	0.45%	2.04%	80%
7/16/2001	104,600	\$27.68	-4.06%	192.17	-2.24%	-1.38%	-2.68%	87%
7/17/2001	203,600	\$27.75	0.25%	196.81	2.41%	1.96%	-1.71%	76%
7/18/2001	116,000	\$27.12	-2.27%	196.42	-0.20%	0.09%	-2.36%	84%
7/19/2001	102,200	\$27.00	-0.44%	197.17	0.38%	0.50%	-0.94%	65%
7/20/2001	178,900	\$26.35	-2.41%	196.32	-0.43%	-0.08%	-2.33%	83%
7/23/2001	136,800	\$26.05	-1.14%	194.06	-1.15%	-0.60%	-0.54%	59%
7/24/2001	2,082,100	\$23.24	-10.79%	190.49	-1.84%	-1.09%	-9.70%	100%
7/25/2001	497,200	\$25.02	7.66%	191.72	0.65%	0.69%	6.97%	100%
7/26/2001	296,600	\$24.74	-1.12%	191.78	0.03%	0.25%	-1.37%	72%
7/27/2001	396,000	\$25.00	1.05%	191.93	0.08%	0.28%	0.77%	62%
7/30/2001	197,700	\$24.80	-0.80%	193.15	0.64%	0.68%	-1.48%	73%

FlowsERVE Corporation**Regression Analysis**

(Beta= .72, T-statistic=5.4, R-squared=18.7%, Control Period: 8/4/2000 through 2/5/2001)

Date	Flowserve			S&P 500 Machinery Index			Preliminary Analysis	
	Volume	Closing Price	Total Daily Returns	Index	% Change	Expected Return	Residual	Significance Level (one-tail)
7/31/2001	148,000	\$24.60	-0.81%	195.72	1.33%	1.18%	-1.99%	80%
8/1/2001	233,900	\$24.96	1.46%	194.30	-0.73%	-0.29%	1.76%	77%
8/2/2001	261,900	\$25.55	2.36%	195.49	0.61%	0.67%	1.70%	76%
8/3/2001	237,700	\$25.56	0.04%	195.87	0.19%	0.37%	-0.33%	55%
8/6/2001	229,100	\$25.70	0.55%	192.64	-1.65%	-0.96%	1.50%	73%
8/7/2001	193,200	\$25.36	-1.32%	193.87	0.64%	0.69%	-2.01%	80%
8/8/2001	169,600	\$25.03	-1.30%	191.07	-1.44%	-0.81%	-0.49%	58%
8/9/2001	135,400	\$25.10	0.28%	191.29	0.12%	0.31%	-0.03%	51%
8/10/2001	202,200	\$25.29	0.76%	196.00	2.46%	1.99%	-1.24%	70%
8/13/2001	203,500	\$25.51	0.87%	196.09	0.05%	0.26%	0.61%	60%
8/14/2001	153,900	\$24.83	-2.67%	195.10	-0.50%	-0.13%	-2.53%	85%
8/15/2001	343,900	\$25.12	1.17%	197.11	1.03%	0.97%	0.20%	53%
8/16/2001	276,600	\$25.35	0.92%	197.28	0.09%	0.29%	0.63%	60%
8/17/2001	134,300	\$25.25	-0.39%	194.53	-1.39%	-0.77%	0.38%	56%
8/20/2001	303,400	\$25.15	-0.40%	193.84	-0.35%	-0.03%	-0.37%	56%
8/21/2001	297,700	\$24.92	-0.91%	193.35	-0.25%	0.05%	-0.96%	66%
8/22/2001	315,900	\$25.03	0.44%	195.44	1.08%	1.00%	-0.56%	59%
8/23/2001	147,400	\$25.01	-0.08%	193.26	-1.12%	-0.57%	0.49%	58%
8/24/2001	296,600	\$25.54	2.12%	195.41	1.11%	1.03%	1.09%	68%
8/27/2001	126,700	\$25.09	-1.76%	195.34	-0.04%	0.20%	-1.96%	79%
8/28/2001	67,400	\$25.10	0.04%	194.02	-0.68%	-0.26%	0.30%	55%
8/29/2001	96,800	\$25.40	1.20%	191.30	-1.40%	-0.78%	1.97%	79%
8/30/2001	187,000	\$24.82	-2.28%	187.88	-1.79%	-1.05%	-1.23%	70%
8/31/2001	104,600	\$24.95	0.52%	189.62	0.93%	0.89%	-0.37%	56%
9/4/2001	116,700	\$25.36	1.64%	190.19	0.30%	0.44%	1.20%	69%
9/5/2001	144,000	\$25.50	0.55%	190.42	0.12%	0.31%	0.24%	54%
9/6/2001	133,900	\$25.35	-0.59%	189.05	-0.72%	-0.29%	-0.30%	55%
9/7/2001	225,500	\$25.22	-0.51%	182.95	-3.23%	-2.09%	1.57%	74%
9/10/2001	198,700	\$24.01	-4.80%	182.53	-0.23%	0.06%	-4.86%	98%
9/17/2001	127,700	\$23.15	-3.58%	167.96	-7.98%	-5.50%	1.92%	79%
9/18/2001	124,400	\$23.49	1.47%	168.20	0.14%	0.33%	1.14%	68%

Flowservice Corporation

Regression Analysis (Beta= .72, T-statistic=5.4, R-squared=18.7%, Control Period: 8/4/2000 through 2/5/2001)									
Flowservice				S&P 500 Machinery Index			Preliminary Analysis		
Date	Volume	Closing Price	Total Daily Returns	Index	% Change	Expected Return	Residual	Significance Level (one-tail)	
9/19/2001	113,800	\$22.12	-5.83%	163.91	-2.55%	-1.60%	-4.23%	96%	
9/20/2001	144,900	\$20.76	-6.15%	155.65	-5.04%	-3.39%	-2.76%	87%	
9/21/2001	274,400	\$19.33	-6.89%	154.90	-0.48%	-0.12%	-6.77%	100%	
9/24/2001	213,100	\$21.34	10.40%	165.07	6.57%	4.94%	5.46%	99%	
9/25/2001	177,600	\$20.44	-4.22%	164.82	-0.15%	0.12%	-4.34%	96%	
9/26/2001	128,500	\$19.79	-3.18%	158.08	-4.09%	-2.71%	-0.47%	58%	
9/27/2001	149,500	\$19.68	-0.56%	158.47	0.25%	0.40%	-0.96%	66%	
9/28/2001	219,600	\$19.75	0.36%	163.95	3.46%	2.71%	-2.35%	84%	
10/1/2001	162,900	\$19.70	-0.25%	161.35	-1.59%	-0.91%	0.66%	61%	
10/2/2001	191,600	\$20.04	1.73%	165.04	2.29%	1.87%	-0.14%	52%	
10/3/2001	126,700	\$20.39	1.75%	170.49	3.30%	2.60%	-0.85%	64%	
10/4/2001	207,300	\$20.66	1.32%	170.89	0.23%	0.40%	0.93%	65%	
10/5/2001	122,100	\$20.77	0.53%	172.65	1.03%	0.97%	-0.43%	57%	
10/8/2001	91,800	\$20.49	-1.35%	170.29	-1.37%	-0.75%	-0.60%	60%	
10/9/2001	63,800	\$20.42	-0.34%	169.95	-0.20%	0.08%	-0.43%	57%	
10/10/2001	118,300	\$20.89	2.30%	174.84	2.88%	2.29%	0.01%	50%	
10/11/2001	126,500	\$20.78	-0.53%	181.49	3.80%	2.96%	-3.48%	93%	
10/12/2001	201,600	\$20.48	-1.44%	179.83	-0.91%	-0.43%	-1.02%	66%	
10/15/2001	231,700	\$21.34	4.20%	180.78	0.53%	0.61%	3.59%	93%	
10/16/2001	180,400	\$21.89	2.58%	181.36	0.32%	0.46%	2.12%	81%	
10/17/2001	177,700	\$21.77	-0.55%	177.85	-1.94%	-1.16%	0.61%	60%	
10/18/2001	100,800	\$21.37	-1.84%	175.49	-1.33%	-0.72%	-1.11%	68%	
10/19/2001	202,400	\$21.21	-0.75%	174.25	-0.71%	-0.28%	-0.47%	58%	
10/22/2001	247,400	\$20.45	-3.58%	178.11	2.22%	1.82%	-5.40%	99%	
10/23/2001	827,800	\$21.84	6.80%	179.45	0.75%	0.77%	6.03%	99%	
10/24/2001	239,400	\$23.00	5.31%	178.68	-0.43%	-0.08%	5.39%	99%	
10/25/2001	137,700	\$22.88	-0.52%	180.28	0.90%	0.87%	-1.39%	72%	
10/26/2001	161,600	\$24.15	5.55%	184.25	2.20%	1.81%	3.74%	94%	
10/29/2001	133,900	\$23.49	-2.73%	177.46	-3.69%	-2.42%	-0.32%	55%	
10/30/2001	127,100	\$22.40	-4.64%	173.41	-2.28%	-1.41%	-3.23%	91%	
10/31/2001	196,700	\$23.38	4.38%	173.09	-0.18%	0.10%	4.28%	96%	

Flowserve Corporation**Regression Analysis**

(Beta= 72, T-statistic=5.4, R-squared=18.7%, Control Period: 8/4/2000 through 2/5/2001)

Flowservice				S&P 500 Machinery Index		Preliminary Analysis		
Date	Volume	Closing Price	Total Daily Returns	Index	% Change	Expected Return	Residual	Significance Level (one-tail)
11/1/2001	108,500	\$23.80	1.80%	176.26	1.83%	1.54%	0.25%	54%
11/2/2001	155,800	\$24.90	4.62%	180.62	2.47%	2.00%	2.62%	86%
11/5/2001	272,800	\$23.55	-5.42%	183.30	1.48%	1.29%	-6.71%	100%
11/6/2001	256,500	\$24.00	1.91%	186.85	1.94%	1.62%	0.29%	55%
11/7/2001	121,900	\$23.39	-2.54%	187.38	0.28%	0.43%	-2.97%	89%
11/8/2001	143,300	\$23.76	1.58%	186.50	-0.47%	-0.11%	1.69%	76%
11/9/2001	175,500	\$23.51	-1.05%	186.09	-0.22%	0.07%	-1.12%	68%
11/12/2001	278,300	\$24.00	2.08%	183.86	-1.20%	-0.63%	2.72%	87%
11/13/2001	194,700	\$24.03	0.13%	189.53	3.08%	2.44%	-2.32%	83%
11/14/2001	100,600	\$24.00	-0.12%	190.82	0.68%	0.72%	-0.84%	64%
11/15/2001	217,100	\$24.15	0.62%	191.39	0.30%	0.44%	0.18%	53%
11/16/2001	1,949,000	\$23.46	-2.86%	191.39	0.00%	0.23%	-3.09%	90%
11/19/2001	271,600	\$24.23	3.28%	192.77	0.72%	0.75%	2.54%	85%
11/20/2001	184,500	\$23.65	-2.39%	189.43	-1.73%	-1.02%	-1.38%	72%
11/21/2001	131,300	\$23.59	-0.25%	186.96	-1.30%	-0.71%	0.45%	57%
11/23/2001	65,900	\$23.83	1.02%	189.01	1.10%	1.01%	0.00%	50%
11/26/2001	518,100	\$24.14	1.30%	190.73	0.91%	0.88%	0.42%	57%
11/27/2001	220,200	\$24.00	-0.58%	189.93	-0.42%	-0.07%	-0.51%	58%
11/28/2001	271,300	\$24.08	0.33%	189.01	-0.48%	-0.12%	0.45%	57%
11/29/2001	196,000	\$24.39	1.29%	188.44	-0.30%	0.01%	1.28%	70%
11/30/2001	265,300	\$24.59	0.82%	188.17	-0.14%	0.13%	0.69%	61%
12/3/2001	568,700	\$25.10	2.07%	187.37	-0.43%	-0.08%	2.15%	81%
12/4/2001	328,700	\$25.65	2.19%	192.32	2.64%	2.12%	0.07%	51%
12/5/2001	323,300	\$25.85	0.78%	199.79	3.88%	3.01%	-2.23%	82%
12/6/2001	182,700	\$25.42	-1.66%	199.69	-0.05%	0.19%	-1.86%	78%
12/7/2001	208,300	\$25.68	1.02%	199.65	-0.02%	0.21%	0.81%	63%
12/10/2001	213,700	\$25.62	-0.23%	196.57	-1.54%	-0.88%	0.65%	61%
12/11/2001	199,900	\$25.73	0.43%	197.91	0.68%	0.72%	-0.29%	55%
12/12/2001	724,100	\$24.90	-3.23%	197.69	-0.11%	0.15%	-3.37%	92%
12/13/2001	223,900	\$24.36	-2.17%	194.74	-1.49%	-0.84%	-1.33%	71%
12/14/2001	133,500	\$24.17	-0.78%	192.79	-1.00%	-0.49%	-0.29%	55%

Flowserve Corporation**Regression Analysis**

(Beta=72, T-statistic=5.4, R-squared=18.7%, Control Period: 8/4/2000 through 2/5/2001)

Date	Flowserve		S&P 500 Machinery Index			Preliminary Analysis		
	Volume	Closing Price	Total Daily Returns	Index	% Change	Expected Return	Residual	Significance Level (one-tail)
12/17/2001	323,900	\$25.10	3.85%	195.64	1.48%	1.29%	2.56%	86%
12/18/2001	269,100	\$26.00	3.59%	200.34	2.40%	1.95%	1.63%	75%
12/19/2001	344,800	\$26.05	0.19%	201.77	0.71%	0.74%	-0.55%	59%
12/20/2001	252,700	\$25.00	-4.03%	199.42	-1.16%	-0.61%	-3.42%	92%
12/21/2001	520,500	\$26.22	4.88%	200.14	0.36%	0.49%	4.39%	97%
12/24/2001	86,000	\$26.10	-0.46%	201.62	0.74%	0.76%	-1.22%	69%
12/26/2001	156,300	\$26.20	0.38%	203.31	0.84%	0.83%	-0.45%	57%
12/27/2001	142,200	\$26.11	-0.34%	203.97	0.32%	0.46%	-0.80%	63%
12/28/2001	172,300	\$26.36	0.96%	204.07	0.05%	0.26%	0.69%	61%
12/31/2001	251,800	\$26.61	0.95%	201.44	-1.29%	-0.70%	1.65%	75%
1/2/2002	212,800	\$26.41	-0.75%	201.08	-0.18%	0.10%	-0.85%	64%
1/3/2002	171,800	\$26.75	1.29%	202.97	0.94%	0.90%	0.39%	56%
1/4/2002	246,500	\$26.34	-1.53%	207.04	2.01%	1.67%	-3.20%	91%
1/7/2002	191,800	\$25.92	-1.59%	205.16	-0.91%	-0.42%	-1.17%	69%
1/8/2002	232,900	\$26.16	0.93%	201.69	-1.69%	-0.99%	1.91%	79%
1/9/2002	152,300	\$26.55	1.49%	201.44	-0.12%	0.14%	1.35%	71%
1/10/2002	124,900	\$25.81	-2.79%	199.18	-1.12%	-0.58%	-2.21%	82%
1/11/2002	475,900	\$25.21	-2.32%	199.26	0.04%	0.26%	-2.58%	86%
1/14/2002	321,200	\$24.27	-3.73%	196.60	-1.33%	-0.73%	-3.00%	89%
1/15/2002	266,500	\$23.99	-1.15%	193.84	-1.40%	-0.78%	-0.37%	56%
1/16/2002	218,700	\$23.01	-4.09%	188.94	-2.53%	-1.59%	-2.50%	85%
1/17/2002	176,700	\$23.23	0.96%	192.79	2.04%	1.69%	-0.73%	62%
1/18/2002	317,200	\$23.08	-0.65%	192.73	-0.03%	0.21%	-0.85%	64%
1/22/2002	172,300	\$23.23	0.65%	191.82	-0.47%	-0.11%	0.76%	62%
1/23/2002	133,800	\$23.65	1.81%	193.27	0.76%	0.77%	1.04%	67%
1/24/2002	521,200	\$23.06	-2.49%	195.91	1.37%	1.21%	-3.70%	94%
1/25/2002	273,700	\$23.97	3.95%	200.04	2.11%	1.74%	2.21%	82%
1/28/2002	216,900	\$24.63	2.75%	202.82	1.39%	1.22%	1.53%	74%
1/29/2002	194,200	\$24.00	-2.56%	199.29	-1.74%	-1.02%	-1.54%	74%
1/30/2002	277,500	\$24.23	0.96%	201.93	1.32%	1.18%	-0.22%	54%
1/31/2002	147,400	\$24.79	2.31%	205.59	1.81%	1.53%	0.78%	63%

Flowserve Corporation**Regression Analysis**

(Beta= 72, T-statistic=5.4, R-squared=18.7%, Control Period: 8/4/2000 through 2/5/2001)

Date	Volume	Closing Price	Total Daily Returns	S&P 500 Machinery Index		Preliminary Analysis		
				Index	% Change	Expected Return	Residual	Significance Level (one-tail)
2/1/2002	120,900	\$24.23	-2.26%	202.87	-1.32%	-0.72%	-1.54%	74%
2/4/2002	189,700	\$24.01	-0.91%	199.75	-1.54%	-0.88%	-0.03%	51%
2/5/2002	403,900	\$24.10	0.37%	199.44	-0.16%	0.12%	0.26%	54%
2/6/2002	728,000	\$23.45	-2.70%	199.16	-0.14%	0.13%	-2.82%	88%
2/7/2002	185,000	\$23.26	-0.81%	197.71	-0.73%	-0.29%	-0.52%	58%
2/8/2002	170,000	\$24.48	5.25%	199.91	1.11%	1.03%	4.22%	96%
2/11/2002	198,600	\$25.36	3.59%	205.67	2.88%	2.30%	1.30%	71%
2/12/2002	241,100	\$25.00	-1.42%	205.23	-0.21%	0.07%	-1.49%	73%
2/13/2002	279,800	\$26.50	6.00%	208.10	1.40%	1.23%	4.77%	98%
2/14/2002	625,700	\$26.74	0.91%	207.65	-0.22%	0.07%	0.83%	64%
2/15/2002	139,700	\$26.03	-2.66%	206.78	-0.42%	-0.07%	-2.58%	86%
2/19/2002	151,000	\$26.36	1.27%	205.84	-0.45%	-0.10%	1.37%	71%
2/20/2002	201,900	\$27.07	2.69%	208.49	1.29%	1.15%	1.54%	74%
2/21/2002	266,500	\$27.26	0.70%	211.71	1.54%	1.34%	-0.63%	60%
2/22/2002	388,900	\$28.49	4.51%	215.46	1.77%	1.50%	3.01%	89%
2/25/2002	278,700	\$28.25	-0.84%	219.91	2.07%	1.71%	-2.55%	86%
2/26/2002	332,900	\$28.50	0.88%	220.35	0.20%	0.37%	0.51%	58%
2/27/2002	549,700	\$28.46	-0.14%	219.42	-0.42%	-0.07%	-0.07%	51%
2/28/2002	383,500	\$27.98	-1.69%	219.07	-0.16%	0.11%	-1.80%	77%
3/1/2002	291,900	\$28.30	1.14%	221.80	1.25%	1.12%	0.02%	50%
3/4/2002	344,500	\$29.82	5.37%	232.30	4.73%	3.62%	1.75%	77%
3/5/2002	366,500	\$29.72	-0.34%	226.32	-2.57%	-1.62%	1.28%	70%
3/6/2002	265,400	\$29.60	-0.40%	230.71	1.94%	1.62%	-2.02%	80%
3/7/2002	337,200	\$29.98	1.28%	229.15	-0.68%	-0.26%	1.54%	74%
3/8/2002	201,400	\$30.05	0.23%	230.14	0.43%	0.54%	-0.30%	55%
3/11/2002	123,300	\$30.12	0.23%	230.94	0.35%	0.48%	-0.24%	54%
3/12/2002	125,500	\$30.46	1.13%	230.82	-0.05%	0.19%	0.94%	65%
3/13/2002	214,900	\$30.50	0.13%	227.89	-1.27%	-0.68%	0.81%	63%
3/14/2002	207,700	\$30.62	0.39%	228.93	0.46%	0.56%	-0.16%	53%
3/15/2002	216,100	\$30.50	-0.39%	229.47	0.24%	0.40%	-0.79%	63%
3/18/2002	181,500	\$30.49	-0.03%	228.63	-0.37%	-0.03%	0.00%	50%

FlowsERVE CorporationRegression Analysis

(Beta= 72, T-statistic=5.4, R-squared=18.7%, Control Period: 8/4/2000 through 2/5/2001)

Date	FlowsERVE		S&P 500 Machinery Index			Preliminary Analysis		
	Volume	Closing Price	Total Daily Returns	Index	% Change	Expected Return	Residual	Significance Level (one-tail)
3/19/2002	348,800	\$31.91	4.66%	230.81	0.95%	0.91%	3.75%	94%
3/20/2002	322,600	\$30.80	-3.48%	228.06	-1.19%	-0.63%	-2.85%	88%
3/21/2002	391,900	\$30.59	-0.68%	222.74	-2.33%	-1.45%	0.76%	62%
3/22/2002	449,100	\$29.98	-1.99%	221.90	-0.38%	-0.04%	-1.95%	79%
3/25/2002	416,200	\$30.60	2.07%	217.38	-2.04%	-1.23%	3.30%	91%
3/26/2002	350,500	\$31.76	3.79%	219.75	1.09%	1.01%	2.78%	88%
3/27/2002	442,100	\$31.95	0.60%	222.01	1.03%	0.97%	-0.37%	56%
3/28/2002	206,800	\$32.01	0.19%	221.74	-0.12%	0.14%	0.05%	51%
4/1/2002	212,900	\$32.35	1.06%	221.27	-0.21%	0.08%	0.99%	66%
4/2/2002	239,300	\$32.50	0.46%	219.69	-0.71%	-0.28%	0.75%	62%
4/3/2002	268,200	\$32.14	-1.11%	214.92	-2.17%	-1.33%	0.22%	54%
4/4/2002	822,100	\$30.04	-6.53%	217.45	1.18%	1.07%	-7.61%	100%
4/5/2002	531,700	\$30.54	1.66%	222.68	2.41%	1.95%	-0.29%	55%
4/8/2002	289,100	\$30.95	1.34%	222.99	0.14%	0.33%	1.01%	66%
4/9/2002	227,900	\$31.50	1.78%	225.95	1.33%	1.18%	0.60%	60%
4/10/2002	371,900	\$31.95	1.43%	230.26	1.91%	1.60%	-0.17%	53%
4/11/2002	342,100	\$31.63	-1.00%	226.59	-1.59%	-0.92%	-0.09%	51%
4/12/2002	298,000	\$32.09	1.45%	226.23	-0.16%	0.11%	1.34%	71%
4/15/2002	358,400	\$31.17	-2.87%	224.62	-0.71%	-0.28%	-2.58%	86%
4/16/2002	453,800	\$32.09	2.95%	227.55	1.30%	1.16%	1.79%	77%
4/17/2002	4,152,800	\$32.70	1.90%	223.98	-1.57%	-0.90%	2.80%	88%
4/18/2002	1,262,500	\$32.12	-1.77%	221.58	-1.07%	-0.54%	-1.23%	70%
4/19/2002	689,600	\$32.27	0.47%	222.54	0.43%	0.54%	-0.07%	51%
4/22/2002	631,400	\$31.41	-2.67%	218.20	-1.95%	-1.17%	-1.49%	73%
4/23/2002	546,200	\$31.25	-0.51%	217.01	-0.55%	-0.16%	-0.35%	56%
4/24/2002	787,400	\$32.56	4.19%	216.60	-0.19%	0.09%	4.10%	96%
4/25/2002	808,200	\$33.52	2.95%	218.19	0.73%	0.75%	2.19%	82%
4/26/2002	801,500	\$34.09	1.70%	218.76	0.26%	0.42%	1.29%	70%
4/29/2002	622,800	\$33.81	-0.82%	214.53	-1.93%	-1.16%	0.34%	56%
4/30/2002	413,000	\$34.50	2.04%	218.89	2.03%	1.69%	0.35%	56%
5/1/2002	971,100	\$34.52	0.06%	216.93	-0.90%	-0.41%	0.47%	58%

FlowsERVE Corporation**Regression Analysis**

(Beta= .72, T-statistic=5.4, R-squared=18.7%, Control Period: 8/4/2000 through 2/5/2001)

Flowserve				S&P 500 Machinery Index		Preliminary Analysis		
Date	Volume	Closing Price	Total Daily Returns	Index	% Change	Expected Return	Residual	Significance Level (one-tail)
5/2/2002	500,100	\$34.90	1.10%	219.23	1.06%	0.99%	0.11%	52%
5/3/2002	424,800	\$34.80	-0.29%	218.88	-0.16%	0.11%	-0.40%	57%
5/6/2002	465,600	\$34.06	-2.13%	212.38	-2.97%	-1.90%	-0.22%	54%
5/7/2002	261,900	\$33.84	-0.65%	213.44	0.50%	0.59%	-1.23%	70%
5/8/2002	378,900	\$33.64	-0.59%	220.63	3.37%	2.64%	-3.24%	91%
5/9/2002	254,800	\$33.34	-0.89%	216.61	-1.82%	-1.08%	0.19%	53%
5/10/2002	307,000	\$32.44	-2.70%	213.95	-1.23%	-0.65%	-2.05%	80%
5/13/2002	262,900	\$33.02	1.79%	213.93	-0.01%	0.22%	1.57%	74%
5/14/2002	607,600	\$34.79	5.36%	220.71	3.17%	2.50%	2.86%	88%
5/15/2002	260,100	\$34.17	-1.78%	225.55	2.19%	1.80%	-3.58%	93%
5/16/2002	333,400	\$33.41	-2.22%	223.11	-1.08%	-0.55%	-1.68%	76%
5/17/2002	303,700	\$33.98	1.71%	222.65	-0.21%	0.08%	1.63%	75%
5/20/2002	322,200	\$34.30	0.94%	219.83	-1.27%	-0.68%	1.62%	75%
5/21/2002	254,400	\$32.83	-4.29%	216.33	-1.59%	-0.91%	-3.37%	92%
5/22/2002	282,100	\$33.06	0.70%	218.54	1.02%	0.96%	-0.26%	54%
5/23/2002	317,400	\$33.88	2.48%	221.00	1.13%	1.04%	1.44%	73%
5/24/2002	380,400	\$33.50	-1.12%	220.49	-0.23%	0.06%	-1.18%	69%
5/28/2002	230,400	\$33.00	-1.49%	218.22	-1.03%	-0.51%	-0.98%	66%
5/29/2002	385,600	\$31.50	-4.55%	214.95	-1.50%	-0.85%	-3.70%	94%
5/30/2002	496,300	\$31.05	-1.43%	212.12	-1.32%	-0.72%	-0.71%	62%
5/31/2002	323,100	\$31.97	2.96%	213.94	0.86%	0.84%	2.12%	81%
6/3/2002	295,400	\$31.41	-1.75%	210.47	-1.62%	-0.94%	-0.82%	63%
6/4/2002	369,600	\$30.55	-2.74%	207.73	-1.30%	-0.71%	-2.03%	80%
6/5/2002	296,600	\$30.82	0.88%	211.05	1.60%	1.37%	-0.49%	58%
6/6/2002	350,700	\$30.64	-0.58%	206.75	-2.04%	-1.23%	0.65%	61%
6/7/2002	361,100	\$31.60	3.13%	207.83	0.52%	0.60%	2.53%	85%
6/10/2002	212,200	\$31.55	-0.16%	207.94	0.05%	0.27%	-0.42%	57%
6/11/2002	244,000	\$31.12	-1.36%	205.29	-1.27%	-0.69%	-0.68%	61%
6/12/2002	318,700	\$31.35	0.74%	204.59	-0.34%	-0.02%	0.76%	62%
6/13/2002	263,200	\$30.60	-2.39%	201.43	-1.54%	-0.88%	-1.51%	73%
6/14/2002	183,400	\$30.68	0.26%	200.13	-0.65%	-0.24%	0.50%	58%

Flowserve Corporation

Regression Analysis (Beta=.72, T-statistic=5.4, R-squared=18.7%, Control Period: 8/4/2000 through 2/5/2001)									
Date	Volume	Closing Price	Total Daily Returns	S&P 500 Machinery Index			Preliminary Analysis		
				Index	% Change	Expected Return	Residual	Significance Level (one-tail)	
6/17/2002	297,400	\$31.42	2.41%	204.42	2.14%	1.77%	0.65%	61%	
6/18/2002	285,400	\$32.13	2.26%	206.09	0.82%	0.81%	1.45%	73%	
6/19/2002	220,400	\$31.55	-1.81%	203.20	-1.40%	-0.78%	-1.03%	67%	
6/20/2002	288,600	\$31.11	-1.39%	202.05	-0.57%	-0.18%	-1.22%	69%	
6/21/2002	330,300	\$30.79	-1.03%	201.47	-0.29%	0.02%	-1.05%	67%	
6/24/2002	347,900	\$30.62	-0.55%	201.96	0.24%	0.40%	-0.95%	65%	
6/25/2002	320,000	\$29.85	-2.51%	201.26	-0.35%	-0.02%	-2.49%	85%	
6/26/2002	588,500	\$29.01	-2.81%	200.25	-0.50%	-0.13%	-2.68%	87%	
6/27/2002	502,600	\$29.20	0.65%	203.99	1.87%	1.57%	-0.91%	65%	
6/28/2002	1,478,300	\$29.80	2.05%	205.57	0.77%	0.78%	1.27%	70%	
7/1/2002	1,021,500	\$28.15	-5.54%	201.24	-2.11%	-1.28%	-4.25%	96%	
7/2/2002	537,500	\$27.57	-2.06%	198.92	-1.15%	-0.60%	-1.46%	73%	
7/3/2002	472,200	\$27.13	-1.60%	196.25	-1.34%	-0.73%	-0.86%	64%	
7/5/2002	124,100	\$28.15	3.76%	204.06	3.98%	3.08%	0.68%	61%	
7/8/2002	221,700	\$27.86	-1.03%	200.86	-1.57%	-0.90%	-0.13%	52%	
7/9/2002	444,200	\$27.50	-1.29%	199.64	-0.61%	-0.21%	-1.08%	67%	
7/10/2002	535,400	\$27.65	0.55%	193.58	-3.04%	-1.95%	2.50%	85%	
7/11/2002	486,800	\$27.64	-0.04%	192.29	-0.67%	-0.25%	0.21%	54%	
7/12/2002	209,200	\$27.53	-0.40%	192.42	0.07%	0.28%	-0.67%	61%	
7/15/2002	503,800	\$26.62	-3.31%	189.83	-1.35%	-0.74%	-2.57%	86%	
7/16/2002	1,152,300	\$24.90	-6.46%	182.01	-4.12%	-2.73%	-3.73%	94%	
7/17/2002	902,000	\$24.84	-0.24%	182.52	0.28%	0.43%	-0.67%	61%	
7/18/2002	259,800	\$24.70	-0.56%	178.25	-2.34%	-1.45%	0.89%	64%	
7/19/2002	369,700	\$24.23	-1.90%	172.76	-3.08%	-1.98%	0.08%	51%	
7/22/2002	516,800	\$23.24	-4.09%	168.97	-2.19%	-1.35%	-2.74%	87%	
7/23/2002	7,491,300	\$14.55	-37.39%	167.35	-0.96%	-0.46%	-36.93%	100%	
7/24/2002	2,928,500	\$17.20	18.21%	178.97	6.94%	5.21%	13.00%	100%	
7/25/2002	1,493,000	\$17.15	-0.29%	178.38	-0.33%	-0.01%	-0.28%	55%	
7/26/2002	1,132,700	\$16.61	-3.15%	179.61	0.69%	0.72%	-3.87%	95%	
7/29/2002	1,127,800	\$17.75	6.86%	189.03	5.24%	3.99%	2.87%	88%	
7/30/2002	678,400	\$17.70	-0.28%	186.55	-1.31%	-0.71%	0.43%	57%	

Flowserve Corporation**Regression Analysis**

(Beta=72, T-statistic=5.4, R-squared=18.7%, Control Period: 8/4/2000 through 2/5/2001)

Date	Flowserve			S&P 500 Machinery Index		Preliminary Analysis		
	Volume	Closing Price	Total Daily Returns	Index	% Change	Expected Return	Residual	Significance Level (one-tail)
7/31/2002	452,400	\$17.25	-2.54%	185.86	-0.37%	-0.04%	-2.50%	85%
8/1/2002	454,200	\$16.82	-2.49%	181.79	-2.19%	-1.34%	-1.15%	68%
8/2/2002	366,500	\$16.22	-3.57%	174.43	-4.05%	-2.68%	-0.89%	64%
8/5/2002	699,300	\$15.88	-2.10%	169.71	-2.71%	-1.71%	-0.38%	56%
8/6/2002	690,800	\$16.85	6.11%	176.46	3.98%	3.08%	3.03%	90%
8/7/2002	509,400	\$16.87	0.12%	179.43	1.68%	1.44%	-1.32%	71%
8/8/2002	459,000	\$17.22	2.07%	184.47	2.81%	2.24%	-0.17%	53%
8/9/2002	490,300	\$17.38	0.93%	185.46	0.54%	0.61%	0.32%	55%
8/12/2002	541,600	\$17.21	-0.98%	184.36	-0.59%	-0.20%	-0.78%	63%
8/13/2002	414,800	\$17.15	-0.35%	184.48	0.07%	0.27%	-0.62%	60%
8/14/2002	270,900	\$17.35	1.17%	187.32	1.54%	1.33%	-0.17%	53%
8/15/2002	264,500	\$17.70	2.02%	187.16	-0.09%	0.17%	1.85%	78%
8/16/2002	425,800	\$17.56	-0.79%	185.94	-0.65%	-0.24%	-0.55%	59%
8/19/2002	390,000	\$18.31	4.27%	191.80	3.15%	2.49%	1.78%	77%
8/20/2002	183,000	\$18.00	-1.69%	189.53	-1.18%	-0.62%	-1.07%	67%
8/21/2002	225,500	\$18.44	2.44%	191.27	0.92%	0.89%	1.56%	74%
8/22/2002	239,300	\$18.94	2.71%	193.60	1.22%	1.10%	1.61%	75%
8/23/2002	357,300	\$18.19	-3.96%	189.70	-2.01%	-1.22%	-2.74%	87%
8/26/2002	290,300	\$18.39	1.10%	191.32	0.85%	0.84%	0.26%	54%
8/27/2002	583,100	\$18.45	0.33%	190.82	-0.26%	0.04%	0.29%	55%
8/28/2002	257,900	\$18.46	0.05%	187.81	-1.58%	-0.90%	0.96%	65%
8/29/2002	276,200	\$18.53	0.38%	185.59	-1.18%	-0.62%	1.00%	66%
8/30/2002	156,800	\$18.33	-1.08%	187.20	0.87%	0.85%	-1.93%	79%
9/3/2002	467,900	\$17.31	-5.56%	180.70	-3.47%	-2.26%	-3.30%	91%
9/4/2002	437,100	\$17.75	2.54%	182.69	1.10%	1.02%	1.52%	74%
9/5/2002	553,800	\$17.40	-1.97%	181.63	-0.58%	-0.19%	-1.78%	77%
9/6/2002	164,600	\$17.99	3.39%	184.22	1.43%	1.25%	2.14%	81%
9/9/2002	143,500	\$17.97	-0.11%	184.71	0.27%	0.42%	-0.53%	59%
9/10/2002	308,800	\$18.42	2.50%	186.12	0.76%	0.78%	1.73%	76%
9/11/2002	289,900	\$18.27	-0.81%	186.61	0.26%	0.42%	-1.23%	70%
9/12/2002	155,300	\$17.76	-2.79%	184.29	-1.24%	-0.66%	-2.13%	81%

Flowserve Corporation**Regression Analysis**

(Beta= 72, T-statistic=5.4, R-squared=18.7%, Control Period: 8/4/2000 through 2/5/2001)

Date	Flowserve			S&P 500 Machinery Index		Preliminary Analysis		
	Volume	Closing Price	Total Daily Returns	Index	% Change	Expected Return	Residual	Significance Level (one-tail)
9/13/2002	283,800	\$17.35	-2.31%	179.56	-2.57%	-1.61%	-0.70%	61%
9/16/2002	333,700	\$17.17	-1.04%	176.87	-1.50%	-0.85%	-0.19%	53%
9/17/2002	371,800	\$16.75	-2.45%	173.52	-1.89%	-1.13%	-1.32%	71%
9/18/2002	1,279,300	\$15.69	-6.33%	171.44	-1.20%	-0.63%	-5.70%	99%
9/19/2002	417,800	\$15.07	-3.95%	169.13	-1.35%	-0.74%	-3.21%	91%
9/20/2002	686,300	\$14.78	-1.92%	170.93	1.06%	0.99%	-2.92%	89%
9/23/2002	388,600	\$14.45	-2.23%	168.98	-1.14%	-0.59%	-1.64%	75%
9/24/2002	291,300	\$13.97	-3.32%	164.59	-2.60%	-1.64%	-1.69%	76%
9/25/2002	665,600	\$14.09	0.86%	169.25	2.83%	2.26%	-1.40%	72%
9/26/2002	833,300	\$14.10	0.07%	174.86	3.31%	2.61%	-2.53%	85%
9/27/2002	5,777,400	\$8.70	-38.30%	170.08	-2.73%	-1.73%	-36.56%	100%
9/30/2002	1,705,800	\$10.00	14.94%	168.69	-0.82%	-0.36%	15.30%	100%

Exhibit G

FlowsERVE CorporationQuarterly Share Ownership for Reporting Institutions

Owner Name	31-Dec-00	31-Mar-01	30-Jun-01	30-Sep-01	31-Dec-01	31-Mar-02	30-Jun-02	30-Sep-02	31-Dec-02
AAL CAPITAL MANAGEMENT CORP	0	0	0	0	0	0	3,620	0	0
ADVANTUS CAPITAL MANAGEMENT	1,375	1,475	1,610	1,610	1,975	2,088	26,276	49,977	52,698
ADVEST GROUP INC	4,787	4,787	4,787	0	0	0	0	0	0
AELTUS INVESTMENT MGMT, INC.	4,700	7,100	162,100	147,800	10,000	0	0	23,300	29,600
AIM MANAGEMENT GROUP, INC.	0	0	0	0	332,700	354,500	577,400	1,220,100	1,452,027
ALLIANZ DRESNER ASSET MGMT AM	20,589	19,341	0	274,700	512,975	761,875	571,225	0	0
ALLIED IRISH BANKS PLC	2,137	2,137	2,137	0	0	0	0	0	0
ALLSTATE INSURANCE COMPANY	13,900	13,900	13,900	13,900	13,900	12,500	13,300	10,600	12,000
AMALGAMATED BANK OF NEW YORK	0	0	0	0	0	9,312	12,012	17,012	14,512
AMERICAN CENT INV MGMT, INC.	690,000	394,900	185,800	400,100	746,200	739,700	750,300	0	20,000
AMERICAN EXP FINANCIAL ADVR	912	973	1,075	1,138	1,408	5,141	37,101	52,244	72,303
AMERICAN GENERAL CORPORATION	52,931	59,171	63,062	0	0	0	0	0	0
AMERICAN INTL GROUP INC	2,200	2,200	100,000	69,937	142,492	69,497	143,472	73,522	74,252
AMSOUTH BANCORPORATION	0	0	0	0	4,600	6,278	9,178	9,378	15,678
ANDERSON HOAGLAND & COMPANY	0	45,025	0	0	0	0	0	0	0
ARTEMIS INVESTMENT MGMT, LLC	0	240,630	173,140	204,000	192,155	253,100	186,665	146,450	0
ASSET MGMT GROUP OF BK OF HI	0	0	0	57,200	66,123	67,423	75,093	101,283	120,773
ATLANTIC INVESTMENT MGMT, INC.	0	265,000	0	0	190,500	210,500	260,000	930,000	0
AXA FINANCIAL, INC.	134,071	162,371	170,071	173,071	212,471	206,075	265,075	287,070	1,031,445
BANK OF AMERICA CORPORATION	72,879	58,212	71,700	70,835	83,960	86,807	111,104	115,334	138,286
BANK ONE CORPORATION	202,831	312,089	379,688	368,155	536,675	702,135	874,733	915,970	605,530
BANKMONT FINANCIAL CORP	0	0	0	0	0	241,500	135,300	0	0
BARCLAYS BANK PLC	1,514,431	1,557,037	1,078,135	1,120,767	1,184,324	1,161,273	1,295,997	1,027,622	1,178,914
BARROW HANLEY MEWHINNEY&STRAUS	314,800	314,800	314,800	369,300	373,600	0	0	431,600	526,900
BEAR, STEARNS & CO. INC.	1,701	2,800	13,900	8,100	3,385	6,017	375	36,185	0
BEAR, STEARNS ASSET MGMT INC.	0	0	0	0	0	0	0	0	283,893
BECKER CAPITAL MGMT, INC.	14,308	0	0	0	0	0	0	0	0
BEDFORD FALLS INVTS L P	0	0	0	0	0	0	0	0	0
BERGER LLC	0	0	0	0	0	0	346,570	2,700	0
BESSEMER GROUP INC	26,872	16,842	13,812	0	0	0	0	0	0
BLACKROCK INC	0	0	11,000	0	0	0	237,000	0	136,400
BLACKTHORN INV'T GRP, L.L.C.	0	0	0	0	0	0	0	0	0
BNP PARIBAS ARBITRAGE SNC	40,348	33,348	54,516	44,039	0	52,404	14,166	12,123	14,485
BNY ASSET MANAGEMENT	13,100	16,600	0	15,800	15,400	22,200	25,900	37,500	65,100
BOSTON PTNR ASSET MGMT, L.P.	0	0	0	0	0	0	0	0	0
BRICOLEUR CAPITAL MGMT, LLC	307,400	332,900	13,800	0	0	0	0	238,600	0
BROADMARK ASSET MGMT, LLC	0	0	13,800	0	0	0	0	0	0
BROWN INV'T ADVISORY & TRUST CO	0	0	0	0	0	0	14,150	0	0
BURRIDGE GROWTH PTNR	307,971	0	0	0	0	0	0	0	0
CALIFORNIA PUBLIC EMP RET SYS	117,759	117,759	115,359	116,059	116,759	116,759	132,959	132,959	132,959
CALIFORNIA STATE TEACH RETIRE	59,633	99,388	106,088	106,088	113,288	66,333	158,900	163,719	170,481
CAPITAL GUARDIAN TRUST COMPANY	0	0	0	50,000	50,000	0	0	0	0
CAPITALWORKS INVESTMENT PTNR	0	0	0	0	0	183,350	318,400	0	0
CAPSTONE ASSET MANAGEMENT CO	60	0	0	0	0	0	0	0	0
CARRET AND COMPANY, L.L.C.	0	0	0	40,000	40,000	40,000	40,000	0	27,700
CAXTON ASSOCIATES, L.L.C.	50,200	0	0	0	0	0	0	0	0
CCM PTNR	3,036	3,736	3,736	3,736	3,736	4,236	5,630	5,630	5,630
CHARLES SCHWAB INVESTMENT MGMT	92,434	96,834	99,034	103,734	123,734	118,934	144,234	167,934	162,334
CHICAGO EQUITY PARTNERS, LLC	61,000	43,400	63,700	22,100	15,700	14,000	34,300	0	0
CIBC WORLD MARKETS CORP.	0	0	4,300	0	0	0	67,100	0	0

Flowserve CorporationQuarterly Share Ownership for Reporting Institutions

Owner Name	31-Dec-00	31-Mar-01	30-Jun-01	30-Sep-01	31-Dec-01	31-Mar-02	30-Jun-02	30-Sep-02	31-Dec-02
CITADEL INVESTMENT GRP, L.L.C.	0	16,700	0	0	0	0	0	64,500	172,400
CITIGROUP INC	137,283	61,716	26,022	26,706	16,212	48,974	50,534	34,586	14,220
CLAIBORNE CAPITAL GROUP, LLC	0	0	0	0	0	0	0	304,000	0
COBALT CAPITAL MGMT INC	0	0	0	0	0	0	0	10,000	0
COLLEGE RETIRE EQUITIES	283,315	256,515	237,095	230,955	277,255	284,555	337,859	344,459	414,959
COLUMBIA MANAGEMENT COMPANY	0	0	0	0	0	10,000	398,498	896,570	458,605
COLUMBUS CIRCLE INVESTORS	0	0	300,000	309,200	0	0	329,330	0	0
COMERICA INC	41,017	40,222	42,922	38,035	40,787	38,575	47,190	43,883	40,683
COMMERCE BANCSHARES INC	137	0	0	0	0	0	0	0	0
COOK MICHAEL W ASSET MGMT INC	304,850	297,850	264,300	260,200	248,975	245,225	218,625	308,255	305,305
CORNERCAP INVT COUNSEL, INC.	44,750	0	0	0	0	0	0	0	0
CREDIT SUISSE ASSET MGMT LLC(U	545,072	680,997	700,918	686,205	828,987	909,757	492,986	498,295	496,188
CREDIT SUISSE FIRST BOSTON COR	62,818	48,589	63,495	38,555	204,610	234,478	197,124	156,935	149,320
CROFT-LEOMINSTER, INC.	0	0	0	0	28,600	29,000	27,500	27,500	18,400
D.C. CAPITAL PARTNERS, L.P.	500,000	50,000	400,000	334,500	105,000	0	0	0	0
DEEPHAVEN CAPITAL MGMT, LLC	0	0	0	0	0	0	57,800	79,400	0
DEUTSCHE BK AKTIENGESELLSCHAFT	126,359	149,308	151,667	139,502	758,463	902,987	1,791,740	1,825,945	145,058
DEUTSCHE INV MGMT AMERICAS INC	17,700	19,900	0	0	0	0	1,452,800	1,485,482	0
DIMENSIONAL FD ADVISORS, INC.	464,500	455,400	421,000	409,100	400,300	356,700	283,600	348,400	958,400
DRESDNER BANK AG	0	0	0	0	0	0	59,000	12,200	0
DRESDNER RCM GBL INVESTORS LLC	0	0	0	0	2,300	191,400	144,670	143,800	0
DU PONT CAPITAL MANAGEMENT	653,700	496,550	189,700	293,800	333,550	335,150	0	111,000	0
DUNCAN-HURST CAPITAL MGMT	0	0	147,230	0	0	0	135,610	0	0
EAGLE ASSET MANAGEMENT, INC.	0	0	0	0	0	204,825	314,350	0	0
EVEREST CAPITAL LTD.	0	0	0	0	0	0	0	18,000	0
FARRELL-SL INVT MGMT INC	0	0	420	420	0	0	0	0	0
FEDERATED INVESTORS, INC	12,263	13,063	14,163	0	0	0	0	0	0
FIDELITY INTL LTD	0	0	7,900	5,300	0	0	0	0	0
FIDELITY MGMT & RESEARCH CO	334,960	679,238	2,489,453	1,019,550	420,210	0	116,228	11,228	200
FIDUCIARY ASSET MANAGEMENT CO	0	0	10,000	0	0	0	0	0	0
FIDUCIARY MANAGEMENT, INC.	0	147,500	0	142,000	138,500	138,500	138,500	0	0
FIDUCIARY MGMT ASSOC INC.	0	191,500	145,300	153,100	165,200	133,900	189,000	189,000	0
FIRST CITIZENS BK & TRUST CO	0	0	0	0	0	0	0	0	0
FIRST NATL BK CHESTER COUNTY	0	0	0	0	0	0	0	0	14,560
FIRST QUADRANT L.P.	0	0	0	0	0	0	0	0	5,000
FIRST VIRGINIA BANK	0	0	0	0	0	0	0	0	8,500
FIRSTAR CORPORATION	10,167	0	0	0	0	0	0	0	298
FLEET BOSTON CORPORATION	12,700	13,500	2,500	532,300	530,000	532,200	525,785	636,360	649,145
FLORIDA STATE BD ADMINISTRATIO	9,600	18,200	18,200	19,300	19,300	20,700	91,033	113,833	157,622
FORSTMANN-LEFF ASSOCIATES LLC	0	0	0	0	0	0	22,300	0	0
FRANK RUSSELL COMPANY	44,560	35,780	19,620	6,200	6,200	103,050	185,850	2,999,767	19,900
FRANKLIN RESOURCES INC	0	0	0	0	586,827	606,128	1,183,534	292,365	3,219,266
FRED ALGER MANAGEMENT INC.	0	0	0	0	178,800	291,160	292,775	0	0
FRIESS ASSOCIATES, INC.	0	0	0	0	0	0	1,200,000	0	0
FRONTIER CAPITAL MGMT CO, INC	206,810	205,010	179,810	175,510	227,080	226,382	251,682	0	0
GABELLI ASSET MANAGEMENT CO	4,015,458	4,291,958	3,827,908	5,888,429	5,036,535	4,924,185	4,341,475	4,917,325	5,247,020
GABELLI FUNDS LLC	1,540,000	1,530,000	1,333,400	351,700	0	0	0	0	0
GARTMORE GLOBAL ASSET MGMT LTD	211,400	264,400	595,640	36,900	274,937	84,520	83,520	14,910	0
GEOWAX, TERKER & COMPANY	2,600	39,100	42,500	36,920	57,620	0	22,902	22,902	0
GENERAL ELECTRIC COMPANY	0	0	0	0	0	0	0	0	0

Flowserve CorporationQuarterly Share Ownership for Reporting Institutions

Owner Name	31-Dec-00	31-Mar-01	30-Jun-01	30-Sep-01	31-Dec-01	31-Mar-02	30-Jun-02	30-Sep-02	31-Dec-02
GLOBAL ASSET MGMT (USA), INC.	0	0	0	0	0	0	0	0	5,000
GOLDEN CAPITAL MGMT, L.L.C.	2,480	2,480	2,480	2,480	0	0	0	0	0
GOLDMAN SACHS & COMPANY	106,500	118,794	125,594	140,638	107,538	98,738	65,428	185,794	145,106
GRANTHAM MAYO VAN OTTERLOO&CO	25,300	24,800	65,700	109,500	51,800	0	0	0	0
GREAT-WEST LIFE & ANNTY INS CO	0	24,600	45,326	27,416	50,730	71,757	71,935	0	0
GREENLEAF TRUST	0	0	0	0	57,180	57,180	54,037	58,827	48,947
HARTFORD INV MGMT CO, INC.	17,500	37,900	38,100	32,900	34,200	34,400	86,600	86,600	71,600
HARVARD MANAGEMENT CO, INC.	20,900	20,900	21,492	23,492	24,500	24,500	30,500	31,137	31,137
HELIX INVESTMENT PTNR LP	0	0	0	0	0	0	0	100,000	150,000
HIGH POINT BK & TRUST COMPANY	0	0	0	0	0	337	477	0	0
HIGH ROCK ASSET MGMT LLC	0	0	0	0	0	0	0	0	21,700
HIGH ROCK CAPITAL LLC	17,500	0	0	0	0	0	0	0	192,400
HIGHBRIDGE CAPITAL MGMT, LLC	0	0	0	0	0	0	0	11,900	0
HONEYWELL INTL INC (PENS FD)	364,100	264,100	264,100	264,100	189,100	189,100	0	0	0
IBM RETIREMENT FUNDS	0	0	0	0	0	0	50,969	48,594	48,594
INDEPENDENCE INVESTMENT, LLC	0	0	0	0	22,700	33,500	70,070	71,670	135,525
ING INVESTMENTS, LLC	0	0	0	0	22,100	0	38,600	0	0
INVESCO CAPITAL MGMT INC.	0	119,100	178,300	184,300	235,300	37,700	0	0	0
JANUS CAPITAL MANAGEMENT LLC	0	0	0	0	1,704,000	1,609,870	1,809,870	1,774,275	2,250,915
JENMCO CAPITAL, L.L.C.	10,600	0	0	0	0	0	9,000	69,298	10,000
JENNISON ASSOCIATES LLC	0	0	0	345,500	481,300	563,000	663,000	994,300	898,100
JP MORGAN CHASE & CO	478,746	762,246	845,291	1,109,788	1,059,776	1,172,858	1,321,438	92,933	31,146
KEELEY ASSET MANAGEMENT	180,000	180,500	181,295	184,435	169,935	169,585	167,090	0	49,575
LASALLE NATIONAL BANK	14,000	25,700	23,100	0	0	0	0	0	0
LAZARD FRERES & COMPANY LLC	0	0	0	0	0	0	806,475	1,005,575	0
LEE MUNDER INVESTMENTS LTD/FLA	0	0	0	0	0	0	0	20,270	12,450
LEGG MASON INC	1,200	700	0	700	905	905	5,305	131,205	1,105,375
LEHMAN BROTHERS	0	0	0	0	53,581	31,175	33,735	24,682	23,822
LEPERCQ DE NEULIZE & CO, INC.	0	0	0	0	0	0	0	55,700	59,200
LIBRA ADVR	0	0	0	0	0	0	0	23,300	23,300
LINDNER ASSET MANAGEMENT, INC.	0	0	0	2,200	0	1,400	1,400	0	0
LONGWOOD INV ADVISORS, INC.	292,750	0	0	0	0	0	1,800	0	0
LOOMIS, SAYLES & COMPANY, L.P	0	0	323,200	172,900	309,500	442,900	438,100	219,350	0
LORD, ABBETT & COMPANY	0	0	0	9,200	20,300	32,400	835,639	137,874	0
LOTSOFF CAPITAL MANAGEMENT	0	0	0	0	700	0	0	0	41,831
LUTHERAN BROTHERHOOD RES CORP	10,000	10,000	10,000	0	0	0	0	0	0
LUTHER KING CAPITAL MANAGEMENT	0	0	0	0	0	24,200	24,200	16,400	0
LVM CAPITAL MANAGEMENT, LTD	0	0	34,210	34,210	34,210	25,710	25,710	25,710	22,110
MACKAY SHIELDS LLC	0	0	0	0	0	235,500	298,400	0	39,537
MACKENZIE FINANCIAL CORP	0	0	0	800	0	0	0	0	0
MAINSTREAM INV ADVISERS LLC	0	0	0	0	40,000	0	0	0	0
MANUFACTURERS ADVISERS CORP	0	0	0	0	0	0	0	0	171,857
MANUFACTURERS & TRADERS TRUST	0	0	0	0	0	0	0	0	35,040
MANUFACTURERS ADVISER CP	2,178	2,734	3,258	4,204	5,351	6,557	9,563	7,316	7,857
MARTINGALE ASSET MGMT, L.P.	42,400	41,500	41,500	41,300	32,700	0	0	0	0
MASON STR ADVISORS, LLC	0	0	0	0	0	15,200	19,800	21,700	21,800
MCGINN CAPITAL MGMT, INC	683,333	555,583	484,583	553,716	546,216	0	235,433	260,933	159,900
MDT ADVISERS, INC.	0	0	250	0	0	0	0	0	0
MECHANICS BANK	0	0	0	0	0	6,050	6,050	750	750
MELLON BANK NA	885,432	1,200,982	822,560	777,040	1,674,515	1,435,850	2,277,352	2,426,684	2,694,415

Flowserve CorporationQuarterly Share Ownership for Reporting Institutions

Owner Name	31-Dec-00	31-Mar-01	30-Jun-01	30-Sep-01	31-Dec-01	31-Mar-02	30-Jun-02	30-Sep-02	31-Dec-02
MERCANTILE NATIONAL BANK OF IN	0	0	0	0	0	0	7,900	0	0
MERRILL LYNCH & CO INC	24,325	20,400	47,788	54,300	30,570	49,520	109,582	108,187	118,680
MERRILL LYNCH INV MANAGERS(NJ)	684,364	819,264	727,476	622,469	652,804	631,496	85,250	576,250	576,250
METROPOLITAN LIFE INS CO (US)	0	0	8,885	0	9,128	11,387	14,405	14,120	0
MFS INVESTMENT MANAGEMENT	0	0	139,220	0	0	0	0	0	0
MFT LIMITED	0	0	0	0	0	0	0	93,911	0
MILLENNIUM PARTNERS, LP	3,510	0	0	0	0	0	0	0	0
MONTGOMERY ASSET MGMT, LLC	0	0	0	0	0	0	0	0	0
MSDW & COMPANY	68,380	79,019	194,170	64,559	275,500	296,600	454,700	1,326,141	1,009,182
MUNDER CAPITAL MANAGEMENT	0	0	0	0	46,379	46,367	53,867	57,347	61,847
MUTUAL AMER CAPITAL MGMT CORP	4,548	5,038	5,436	5,428	6,624	7,754	10,927	9,957	9,957
N.Y. STATE TEACH RETIRE SYS	0	0	0	0	0	0	128,600	8,400	8,400
NATIONAL CITY CORP	285,187	153,640	115,135	112,856	112,261	101,011	100,091	95,512	63,323
NATIONAL RURAL ELECTRIC CO-OPE	1,125,188	1,125,188	1,125,188	1,125,188	1,125,188	1,125,188	388,088	388,088	783,088
NEW ENGLAND FDS MANAGEMENT LP	0	0	0	0	0	0	0	730	0
NEW MEXICO EDU RETIREMENT BD	0	0	0	15,000	17,900	17,900	17,900	0	0
NEW YORK LIFE INSURANCE CO	0	3,879	1,884	1,755	1,884	1,747	2,213	1,577	13,180
NEW YORK LIFE INVT MGMT LLC	0	0	1,884	0	0	0	0	0	0
NEW YORK STATE COMMON RET FD	292,400	299,300	323,300	297,300	311,700	400,400	506,600	376,400	323,400
NICHOLAS-APPEGATE CAP MGMT	0	0	71,400	68,100	0	190,400	0	0	0
NIPPON LIFE INSURANCE COMPANY	0	0	32,000	42,000	0	0	0	0	0
NISA INVT ADVISORS, L.L.C.	0	0	0	0	0	0	11,000	29,400	42,200
NLI INTL INC	0	0	0	0	0	0	54,500	0	0
NOMURA SECURITIES CO, LTD	2,502	8,638	6,589	2,631	7,358	994	8,700	0	0
NORTHERN TRUST COMPANY OF CT	15,000	15,000	15,000	18,000	30,500	40,600	49,500	5,550	6,950
NORTHERN TRUST CORP	172,647	173,147	179,814	178,359	208,731	209,352	251,952	195,862	182,701
NORTHPOINTE CAPITAL, L.L.C.	0	117,600	224,500	220,600	172,219	256,125	269,391	281,491	292,085
NORTHWESTERN MUTUAL INVT	6,700	8,500	10,200	10,800	14,000	0	0	0	0
OFFITBANK	0	0	0	0	1,500	0	0	0	0
OHIO PUBLIC EMP RETIREMENT SYS	50,917	63,158	64,841	71,855	74,691	70,707	113,688	121,700	121,700
OPPENHEIMERFUND INC.	92,600	330,900	275,900	98,600	300,100	429,800	394,900	10,100	0
ORBITECH MANAGEMENT, INC.	0	12,300	0	0	0	0	0	0	0
PACIFIC INCOME ADVISERS, INC.	0	19,700	14,170	0	0	0	0	0	0
PADCO ADVR II, INC	0	0	0	0	0	0	0	0	810
PADCO ADVR INC	0	0	1,137	321	3,662	3,660	1,480	490	6,820
PALOMA PTNR MANAGEMENT COMPANY	0	0	0	0	0	0	0	0	82,122
PANAGORA ASSET MGMT INC. (US)	0	11,546	11,546	11,546	11,546	11,546	6,946	0	0
PARADIGM CAPITAL MGMT CO, LLC	27,800	0	0	0	0	0	0	0	0
PARADIGM CAPITAL MGMT (NY)	0	0	0	0	0	0	0	0	0
PARAMETRIC PORTFOLIO ASSOC	0	0	20,470	18,826	17,615	17,900	19,561	49,650	51,225
PARK NATIONAL BANK	0	0	0	0	0	0	0	0	52,412
PARKER/HUNTER INC.	12,020	9,770	0	0	0	0	0	0	0
PENNSYLVANIA PUBLIC SCH EMP RE	242,375	237,075	342,430	297,030	239,530	288,348	315,448	233,448	233,448
PILGRIM BAXTER & ASSOC LTD.	0	0	0	0	512,900	425,300	347,600	0	0
PNC FINL SERVICES GROUP INC	0	0	0	0	0	7,600	7,300	10,300	10,300
PPM AMERICA INC.	174,200	174,200	117,400	143,300	143,300	161,300	131,200	0	0
PRINCIPAL FINANCIAL GROUP INC	0	0	0	0	61,054	9,085	9,025	10,554	286,770
PROFUND ADVR LLC	0	0	0	0	0	17,265	8,991	0	0
PRUDENTIAL INSUR CO OF AMERICA	19,524	18,524	19,046	19,046	21,424	0	41,336	41,636	47,536
PRUDENTIAL SECURITIES INC.	0	0	38,749	0	10,434	16,096	13,899	0	0

Flowserve Corporation**Quarterly Share Ownership for Reporting Institutions**

Owner Name	31-Dec-00	31-Mar-01	30-Jun-01	30-Sep-01	31-Dec-01	31-Mar-02	30-Jun-02	30-Sep-02	31-Dec-02
PUBLIC EMP RETIREMENT ASSN CO	56,100	56,000	56,500	56,500	66,000	65,900	81,400	82,200	82,000
PUTNAM INVESTMENT MANAGEMENT	422,975	401,532	0	0	0	0	0	0	8,800
QWEST ASSET MANAGEMENT COMPANY	0	0	0	0	0	0	0	16,315	14,715
RAINIER INVESTMENT MGMT, INC	0	0	144,075	168,375	222,975	231,809	254,712	87,054	0
RBC CAPITAL MARKETS	0	0	0	1,030	0	0	0	1,035	1,035
RBF, LLC	25,000	15,000	15,000	0	0	0	0	0	0
RE ADVISERS CORP	365,118	315,818	308,818	318,818	318,818	315,818	132,918	132,918	389,918
REICH & TANG ASSET MGMT L.P.	2,197,300	2,166,800	2,034,200	2,099,000	2,104,900	2,207,900	2,183,300	2,329,000	2,443,100
RENAISSANCE TECHNOLOGIES CORP.	20,000	54,100	38,700	15,400	98,000	25,000	338,600	408,800	302,200
RHUMBLINE ADVISERS CORP.	0	0	0	0	0	0	31,300	41,800	41,600
RIDGECREST INVESTMENT MGMT, LLC	0	0	31,000	0	0	0	0	0	0
RIGHTIME ECONOMETRICS INC.	1,949	1,716	1,489	1,176	0	0	0	0	0
ROBERT W. BAIRD & CO. INC. INV. MGMT	12,425	12,000	0	0	0	0	0	0	0
ROYCE & ASSOCIATES, LLC	341,300	369,100	219,900	124,700	209,200	241,600	182,600	58,300	310,900
RS INVESTMENTS	173,500	0	0	0	0	0	0	0	0
SCHRODER INV MGMT GROUP	0	0	473,000	116,500	362,300	723,600	869,600	808,300	903,032
SEB ASSET MGMT AMERICA INC.	0	0	0	0	290,050	198,400	37,750	1,300	0
SECURITY MANAGEMENT CO, LLC	274,800	282,600	282,600	282,600	282,700	282,600	281,800	281,800	281,800
SEGALL BRYANT & HAMILL INV COUNS	0	0	0	0	0	348,959	328,395	380,449	447,069
SEQUOIA ANALYTICAL INVESTORS L	44,050	44,000	44,000	44,000	20,360	9,000	16,740	0	0
SG COWEN SECURITIES CORP	0	0	8,100	10,399	44,115	48,441	10,378	0	0
SIT INVESTMENT ASSOC. INC.	0	0	178,000	250,150	302,800	263,800	250,050	240,750	0
SKYLINE ASSET MANAGEMENT L.P.	0	0	0	0	837,200	1,248,700	1,075,600	1,031,100	1,062,800
SMITH ASSET MGMT GROUP, L.P.	0	0	0	0	0	0	0	0	0
SOMERVILLE TRADING ENTERPRISES	0	0	0	0	0	198,600	250,000	508,200	68,600
SPEECE, THORSON CAPITAL GROUP	0	0	0	0	0	22,515	0	105,155	0
SSI INVESTMENT MANAGEMENT INC.	0	0	0	109,100	0	0	0	0	0
STANDARD LIFE INVESTMENTS LTD.	0	0	0	0	0	0	227,500	502,267	386,061
STANDARD PACIFIC CAPITAL LLC	0	0	0	0	0	0	0	0	0
STARO ASSET MANAGEMENT, L.L.C.	0	0	0	0	0	0	0	0	0
STATE OF MICH STATE TREASURER	26,605	26,605	27,005	27,305	32,805	33,005	43,055	44,455	44,955
STATE OF WI INVESTMENT BOARD	370,000	370,000	420,000	320,000	320,000	370,000	370,000	370,000	405,000
STATE STR CORPORATION	432,720	414,875	681,172	780,603	897,994	927,035	801,160	659,099	631,189
STATE STR RESEARCH & MGMT CO	0	0	0	0	223,000	227,500	512,700	988,500	1,040,900
STATE TEACH RETIREMENT SYS OH	55,600	64,900	75,900	90,300	112,300	115,700	138,300	33,800	64,100
STRONG CAPITAL MGMT, INC.	0	0	0	0	0	0	0	0	1,725
T A C & CO INC.	0	0	0	0	109,500	109,500	105,000	100,000	0
TD ASSET MANAGEMENT INC.	0	0	100	0	1,600	900	900	700	700
TEACHER RETIREMENT SYS OF TX	287,000	325,000	325,000	350,000	405,000	411,000	358,000	358,000	372,000
TEACHERS ADVISORS INC	6,541	3,641	4,772	5,172	6,572	7,672	10,238	14,138	19,538
THALES FUND MANAGEMENT, LLC	0	0	0	0	0	0	0	61,985	79,304
THOMPSON SIEGEL & WALMSLEY INC.	0	0	0	0	0	11,500	17,422	0	0
THOMSON HORSTMANN & BRYANT INC.	0	0	0	635,000	915,400	888,600	1,075,900	999,100	952,100
THRIVENT FINL FOR LUTHERANS	0	0	0	0	0	45,230	45,930	29,030	0
TOCQUEVILLE ASSET MGMT L.P.	0	0	0	0	0	0	0	556,300	912,840
TOMPKINS TRUSTCO INC	0	0	0	0	0	0	300	300	0
TRINITY CAP JACKSONVILLE, INC.	0	0	0	0	0	0	80,000	0	0
TRINITY INVESTMENT MGMT CORP	84,400	81,200	72,800	118,800	121,600	112,400	19,600	0	0
U S BANCORP	0	8,648	14,948	10,448	153,350	84,913	276,188	70,583	18,130
U S GLOBAL INVESTORS, INC.	0	0	0	0	50,000	0	0	0	0

Flowserve CorporationQuarterly Share Ownership for Reporting Institutions

Owner Name	31-Dec-00	31-Mar-01	30-Jun-01	30-Sep-01	31-Dec-01	31-Mar-02	30-Jun-02	30-Sep-02	31-Dec-02
UBS AG NEW YORK BRANCH	0	0	0	0	13,548	0	0	0	0
UBS GBL ASSET MGMT (IL) INC.	0	0	140,300	137,900	142,900	141,700	150,600	134,900	175,800
UBS GLOBAL ASSET MGMT US INC	0	0	0	0	0	0	0	0	6,914
UBS WARBURG LLC	0	19,196	20,877	38,543	13,548	14,272	10,078	0	66,633
UNIONBANCAL	0	0	0	0	0	0	57	0	94
UNITED STATES TRUST CO OF NY	8,494	8,494	8,818	8,494	7,588	7,388	31,988	11,088	16,266
VALUE LINE INC.	31,000	34,000	55,500	10,000	0	0	96,400	20,000	10,000
VANGUARD GROUP, INC.	389,598	414,798	469,898	483,198	604,840	643,760	567,156	577,180	607,572
VECTOR CAPITAL MANAGEMENT, LLC	0	0	0	0	0	0	600	0	0
VERIZON INVESTMENT MGMT CORP	7,700	65,000	65,000	116,200	66,200	53,800	83,354	41,754	33,754
VILLANOVA MUT FD CAPITAL TRUST	167,900	102,900	95,300	66,900	0	0	0	39,500	39,500
VIRGINIA RETIREMENT SYS	0	0	0	0	0	0	9,700	60,700	65,000
WACHOVIA BANK N.A.	0	0	12,431	13,949	16,179	0	0	0	0
WACHOVIA CORPORATION	0	147,293	185,793	107,752	114,710	203,841	1,026,665	436,642	209,591
WATSON, STEPHEN T	0	0	0	0	100,000	0	0	45,000	0
WEISS, PECK & GREER, L.L.C.	0	0	0	0	0	0	0	47,950	36,950
WELLINGTON MANAGEMENT CO, LLP	0	0	0	0	0	0	1,232,700	1,171,300	1,032,200
WELLS FARGO & (NORWEST CORP)	0	0	0	0	113,600	794,000	698,805	505	238,625
WELLS FARGO BANK, N.A.	505	505	135,305	505	505	505	0	0	0
WESTPEAK GLOBAL ADVISORS, L.P.	9,400	0	0	0	0	0	0	0	0
WESTPORT ADVISERS LLC	0	0	0	0	0	0	480,400	0	0
WESTPORT ASSET MANAGEMENT INC.	0	0	0	0	0	0	12,000	0	0
WESTWOOD MANAGEMENT CORP. (TX)	0	0	0	0	0	0	0	0	0
WHITNEY ASSET MANAGEMENT, LLC	0	0	319,750	365,050	376,650	321,350	0	0	0
WILLIAM BLAIR&CO L.L.C INV MGM	562,390	364,190	327,290	471,520	526,030	864,340	990,290	1,401,380	400,000
WILMINGTON TRUST COMPANY	0	0	7,042	0	0	0	0	0	1,741,770
WILSHIRE ASSOC INC	3,700	700	2,150	2,150	2,150	79,250	37,050	1,850	0
WOODSIDE ASSET MGMT, INC.	0	0	49,090	48,790	48,830	46,640	46,185	45,895	2,560
WORLD ASSET MANAGEMENT	41,073	41,873	40,349	43,416	0	0	0	0	43,395
WRIGHT INVESTORS SERVICE	0	0	0	0	0	0	19,670	28,445	0
WYPER PTNR LLC	0	0	0	0	0	0	0	150,000	0
ZIONS FIRST NATIONAL BANK	0	0	0	0	0	0	0	0	26,800
TOTAL:	26,588,633	27,538,640	29,890,282	30,250,592	38,077,794	40,686,658	52,574,169	49,142,190	48,287,859

Source: Thomson Financial